

DECISION MEMO

Lone Ranch Project - 2008 Proposed Exploratory Drilling

**USDA Forest Service
Colville National Forest
Ferry County, Washington**

DECISION

I have decided to proceed with the approval of a Plan of Operations submitted by Golden Oasis Inc, on behalf of MinQuest Inc., that authorizes exploratory drilling for minerals on the Republic Ranger District of the Colville National Forest.

The legal descriptions of the mining claims identified for exploration are:

Carol 4	MC 158408	Sec 13, T. 40 N., R. 34 E., W.M.
LDG 20	MC# 158421	Sec 19, T, 40 N., R. 35 E., W.M.
LDG 24	MC# 158423	Secs 18 & 19, T. 40 N., R. 35 E., W.M.
LDG 13	MC # 158417	Sec 19, T. 40 N., R. 35 E., W.M.
BMT 45	MC# 161994	Sec 12, T. 40 N., R. 34 E., W.M.
BMT 46	MC# 161995	Sec 12, T. 40 N., R. 34 E., W.M.
BMT 47	MC# 161996	Sec 12, T. 40 N., R. 34 E., W.M.
BMT 48	MC# 161997	Sec 12, T. 40 N., R. 34 E., W.M.
BMT 49	MC# 161998	Sec 7, T. 40 N., R. 35 E., W.M. & Sec 12, T. 40 N., R. 34 E., W.M.
BMT 50	MC# 161999	Sec 7, T. 40 N., R. 35 E., W.M. & Sec 12, T. 40 N., R. 34 E., W.M.
BMT 51	MC# 162000	Sec 7, T. 40 N., R. 35 E., W.M.
BMT 52	MC# 162001	Sec 7, T. 40 N., R. 35 E., W.M.
BMT 53	MC# 162002	Sec 7, T. 40 N., R. 35 E., W.M.
BMT 54	MC# 162003	Sec 7, T. 40 N., R. 35 E., W.M.
BMT 59	MC# 162008	Secs 1 & 12, T. 40 N., R. 34 E., W.M.
BMT 60	MC# 162009	Secs 1 & 12, T. 40 N., R. 34 E., W.M.
BMT 61	MC# 162010	Secs 1 & 12, T. 40 N., R. 34 E., W.M.
BMT 62	MC# 162011	Secs 1 & 12, T. 40 N., R. 34 E., W.M.
BMT 63	MC# 162012	Secs 1 & 12, T. 40 N., R. 34 E., W.M.
BMT 75	MC#162024	Sec 1, T. 40 N., R. 34 E., W.M.
BMT 9	MC# 161958	Sec 19, T. 40 N., R. 35 E., W.M.

The Plan of Operations will authorize drilling at 17 locations. Each drill site will require a pad upon which the drilling rig would be set up. For 13 of the sites, the drill pad will be established within the footprint of an existing road. For the remaining four drill sites (PDHM, PDH MM, PDH O, and PDH P) three temporary, native surface spur roads will

be pioneered to the drill locations. The combined length of all temporary roads would be approximately 4600 feet with standard running widths of 15 feet.

In addition, an area will be engineered to serve each site as a drill water sump during operations. The function of the sump will be to contain excess drill water and to impound drill cuttings. The drill water sump arrangement will consist of a "pond" at least 3 feet wide by 10 feet long and 3 feet deep, located immediately adjacent to the drill pad. The sumps are to be lined with plastic to minimize the loss of water and cuttings. The sumps will be constructed along the downhill edge of roadways within the drill pads.

Access to the drill sites will be via existing Forest Roads 6120900, 6120920, 6120923, 6120942, and 6120944. Road stabilization work will be required for a section of Forest Road 6120920 and brushing will be done as necessary to allow passage of a truck or track mounted core drill rig. As mentioned above, three additional sections of temporary road will be pioneered to provide access to four of the drill sites. Roads that will provide access to drill sites PDH A and PDH N will be reopened as both are currently closed to motorized vehicles with earthen berms. The earthen berms or another closure device will be reinstalled following completion of the drill work to re-establish the road closures.

Equipment that will be approved for use will include a track or truck-mounted core drill rig, a single 4-wheel drive water truck (to provide water for drilling) and two pickup trucks. An all-terrain vehicle may also be used to provide additional access to and from sites for core sample transport. A track-mounted backhoe may be used for site reclamation.

There will be no structures built for this project. All storage of materials for drilling are to be temporary and movable. A portable toilet will be moved on-site for use during the period of operations. Any garbage or other non-hazardous solid waste must be removed from the site and disposed of in a registered county dump site.

Site reclamation work following completion of the drilling would include draining the sump ponds and removing the plastic liners for disposal in an appropriately designated landfill; backfilling sump ponds after they have been drained, spreading and smoothing stockpiled topsoil over pond and drill pad sites and seeding the areas using a seed mix approved by the Forest Service. Cuttings and bentonite additives would be reintroduced into the ground when reclamation is complete. The proponent would plug drill holes per State of Washington Department of Natural Resources regulations, including a bentonite plug and cement grout plug at the surface. All disturbed areas, including drill sites; low-standard, temporary access roads; and non-system roads disturbed during the drilling program would be contoured to approximate their pre-project landform taking into consideration storm water erosion impacts. Forest System roads would remain with adequate drainage structures (waterbars, drivable dips, etc.) and cutouts where appropriate.

The following measures will be made a part of the Plan of Operations:

Protection of Threatened, Endangered, or Sensitive Species

Closed roads, after they are reopened, will be maintained in their closed position using an effective closure device until they are again permanently, physically closed.

After project activities are completed, newly constructed sections of road will be restored to near their original contour and seeded with the appropriate mixture.

Location of areas needing special measures for protection of plants or animals listed as threatened or endangered under the Endangered Species Act of 1973, as amended, or as sensitive by the Regional Forester under authority of FSM 2670, derived from ESA Section 7 consultation, may be shown on a separate map, and made a part of the Plan of Operation, or identified on the ground. Protective and mitigative measures specified by the authorized officer shall be the responsibility of the Claim Owner.

If protection measures prove inadequate, if other such areas are discovered, or if new species are listed as Federally threatened or endangered or as sensitive by the Regional Forester, the authorized officer may specify additional protection regardless of when such facts become known. Discovery of such areas by either party shall be promptly reported to the other party.

Food/Refuse Storage and Handling

The Owner or operator and/or his/her employees or contractors are required to remove all garbage (including uneaten food) from National Forest System (NFS) lands.

When not being prepared or eaten, food is to be stored in such a way as to make it unavailable to wildlife (e.g. food may be stored inside a hard-sided vehicle).

Temporary Road Construction

Newly pioneered access roads should be located to avoid the cutting of trees with diameters of 21 inches or greater if at all possible. Of specific concern is the temporary spur road to access drill site PDH O.

Heritage Resource Protection

The Owner or Operator and his/her employees or contractors are required to contain their operations to be within areas of use designated by the approved Plan of Operation.

The Owner or Operator or his/her employees or contractors shall immediately notify the authorized officer of any and all antiquities or other objects of historic or scientific interest found during project implementation. These include, but are not limited to, historic or prehistoric ruins, fossils, or artifacts discovered as the result of operations under this authorization, and shall leave such discoveries intact until authorized to proceed by the authorized officer. Protective and mitigative measures specified by the authorized officer shall be the responsibility of the Claim Owner. If any such sites were determined to be significant Heritage Resources, the drill site will be relocated to avoid further impacts.

Protection of Water Quality

Sanitary waste facilities shall not be located within riparian zones or at least 200 feet from any water source, whichever is the greater distance.

Constructed road segments, reconstructed road segments, and maintenance blading of existing roads shall be accomplished according to standard road Best Management Practices (BMPs) to avoid unacceptable levels of erosion and stream sedimentation. These include BMP: PR-1 General Guidelines for the Location and Design of Roads; PR-2 Erosion Control Plan; PR-3 Timing of Construction Activities, PR-4 Location, Design and Construction of Stable Road Cut and Fill Slopes; PR-5 Road Slope and Waste Area Stabilization; PR-6 Dispersion of Subsurface Drainage Associated with Roads; PR-7 Control of Surface Roadway Drainage; PR-8 Constraints Related to Pioneer Road Construction; PR-9 Timely Erosion Control Measures on Incomplete Roads and Stream Crossing Projects; PR-10 Construction of Stable Embankments (Fills); PR-11 Control of Sidecast Material; PR-12 Control of Construction in Riparian Habitat Conservation Areas (RHCAs); PR-15 Disposal of Right-of-Way and Roadside Debris; PR-18 Maintenance of Roads; PR-20 Traffic Control During Wet Periods; PR-21 Snow Removal Controls to Avoid Resource Damage; and PR-23 Obliteration of Temporary Roads and Landings. (A complete copy of the BMPs is included as Appendix A of the Project File.)

Wetlands, springs, seeps, and streams not previously identified during the field inventory and environmental analysis will be delineated during project layout using INFISH riparian guidelines. Proposed drilling within an INFISH Riparian Habitat Conservation Areas (RHCAs) will require an on-

site visit by the zone hydrologist or fisheries biologist to develop adequate riparian mitigation measures.

Protection of Structural Improvements

Structural improvements, including, but not limited to, range fences, cattleguards, and culverts, are to be protected through avoidance if possible. In the case of drill site PDH O where the access road must pass through an existing range fence, a gate will be installed in the fence that will allow passage of work vehicles while maintaining the physical barrier to cattle movement between pastures. During the period when cattle are on the allotment, the gate is to be kept closed. Upon completion of drilling, and as part of reclamation work, the breach in the fence created for the road is to be repaired.

Motorized Access

Signs are to be placed at the junction of all temporary or reopened roads stating that motorized access to the area is restricted to vehicles conducting work associated with the exploratory drilling.

The Claim Owner is required to effectively block newly constructed or reopened roads used to access drill sites using earthen berms immediately following completion of site reclamation. In addition, where slash material is available it would be placed on the reclaimed roadbeds to serve as a further barrier to vehicle traffic and provide additional protection from erosion.

Site Reclamation and Prevention of Soil Erosion and Infestation by Noxious Weeds

Topsoil removed during construction of drill pads, sumps, and/or temporary spur roads is to be stockpiled and used for site reclamation.

As soon as possible following completion of the drilling work, the site is to be reclaimed by backfilling and recontouring the temporary roads and sump ponds, ripping any area (other than permanent open roads) compacted by equipment, spreading stockpiled topsoil, and revegetating the site using a seed mix specified for the site type by the Colville National Forest Seeding Guide. Any seed mix used must be certified as "Prohibited and Restricted Noxious Weed Free for the State of Washington."

Equipment used for this project is to be cleaned prior to move-in to the site. This includes any equipment used for potentially soil-disturbing work (such as pioneering, reconstructing/repairing, or reopening access roads; clearing drill sites; excavating sump ponds; and drilling the holes) and equipment used to access the site for transport of personnel or samples. It is

recommended that the equipment also be cleaned prior to moving it from Ferry County. The purpose of this measure is to reduce the risk of introducing noxious weed plant parts or seeds to the disturbed area or transporting noxious weeds to another county.

Project areas that have had ground disturbing activities occur within them will be inspected by the Operator or Owner or his/her employees or contractors for noxious weeds annually for the first three years following completion of reclamation work. The Claim Owner will be responsible for management of new invader species of noxious weeds discovered on the site during post-rehabilitation surveys. Methods of weed management must be approved by the Forest Service prior to implementation.

REASONS FOR CATEGORICALLY EXCLUDING THE PROPOSED ACTION

Through past experience and review of similar projects as well as a review of the proposed action, no extraordinary circumstances were found to exist that would cause the proposed action to have significant environmental effects. This decision falls within Category 8 of Section 31.2 of WO Amendment 1909.15-2007-1, Short-term (one year or less) mineral, energy, or geophysical investigations and their incidental support activities that may require cross-country travel by vehicles and equipment, construction of less than one mile of low standard road (Service Level D, FSH 7709.56), or use and minor repair of existing roads. The proposed action is therefore categorically excluded from preparation of an Environmental Assessment or an Environmental Impact Statement.

SCOPING AND PUBLIC INVOLVEMENT

Public and agency scoping was initiated through:

- 1) Sending letters on December 21, 2007 to the Colville, Spokane, and Kalispel Tribes of Indians requesting formal consultation.
- 2) Publishing a description of the proposal in the Colville National Forest Schedule of Proposed Actions, "Projects '08", Volume Sixteen, Number One, Fall Issue, Fiscal Year 2008.
- 3) Publishing a legal notice of the proposed project in the October 11, 2007 issue of the Republic News Miner newspaper to initiate a 30-day comment period. The comment period ended on November 13, 2007.
- 4) Sending a scoping letter October 5, 2007 describing the project proposal and requesting comments to a general interest mailing list.

No public response was received and no issues were identified from as a result of scoping.

FINDINGS

The project is consistent with management direction, including standards and guidelines found in the Colville National Forest Land and Resource Management Plan (LRMP), as amended. Management direction for each Management Area (MA) is provided by the Colville National Forest Land and Resource Management Plan (Forest Plan) which describes in detail the Goals, Objectives, Standards, Guidelines, and Management Prescriptions (Forest Plan Chapter 4).

The proposed drill sites would be located within areas designated as MAs 5, 7 and 8 by the Forest Plan. The emphasis in MA 5 is Scenic/Timber with the goal of managing to "provide a natural appearing foreground, middle, and background along major scenic travel routes while providing wood products" (Page 4-93 of Forest Plan). Direction provided by the Forest Plan regarding mineral management on National Forest System land is that "Exploration and development plans will include reasonable, operationally feasible requirements and rehabilitation measures designed to meet retention or partial retention objectives" (Page 4-94 of Forest Plan).

The emphasis in MA 7 is Wood/Forage with the goal of managing to "achieve optimum production of timber products while protecting basic resources" (Page 4-101 of Forest Plan). Direction provided by the Forest Plan regarding mineral management on National Forest System land is that "Exploration and development access requirements will be coordinated with timber harvest access to the extent reasonable" (Page 4-102 of Forest Plan).

The emphasis in MA 8 is Winter Range with the goal of managing to "meet the habitat needs of deer and elk to sustain carrying capacity at 120 percent of the 1980 level, while managing timber and other resources consistent with fish and wildlife management objectives" (Page 4-105 of Forest Plan). Direction provided by the Forest Plan regarding mineral management on National Forest System land is that "Operating plans will include reasonable measures to protect or enhance the effectiveness of winter range" (Page 4-107 of Forest Plan).

The actions are consistent with direction contained in Regional Forester's Forest Plan Amendment #2 (Page 9 and Page 14. Vegetation section of Project File).

INFISH requires that Riparian Habitat Conservation Areas be delineated, and that Standards and Guidelines found in INFISH Decision Notice Attachment A, pages A-6 through A-13 be followed. The actions are consistent with INFISH direction. (See Project File, Wildlife section, page 12.)

The actions are consistent with the Forest Plan because mitigation measures (Decision Memo, pages 3 through 6), have been fully applied in the selected actions. The project is feasible and reasonable, and it results in applying management practices that meet the Forest Plan overall direction of protecting the environment while producing goods and services.

Golden Oasis will conduct limited ground disturbing activities to access the sites and conducting drilling operations and will promptly reclaim disturbed areas, therefore long-term impacts to vegetation would be negligible. The determination of the BE was that, the project as proposed would not negatively affect populations of any threatened, endangered, or sensitive species of concern; management indicator species or species of special concern (Project File, Threatened, Endangered, and Sensitive Species, pages 10 through 12).

This action does not pose a violation of Federal, State, or local law requirements imposed for the protection of the environment. It does not, individually or cumulatively, have a significant effect (40 CFR 1508.4) on the quality of the human environment.

This is not a major Federal action. It will have limited context and intensity (40 CFR 1508.27), individually or cumulatively, to the biological, physical, social, or economic components of the human environment. It will have no adverse effect upon public health or safety; consumers, civil rights, minority groups and women; prime farmland, rangeland, and forest land; wetlands and floodplains; significant scientific, cultural or historic resources; roadless areas; steep slopes or highly erosive soils; old growth forest options; or to designated Wilderness.

Legal Requirements

National Forest Management Act of October 22, 1976 (NFMA): Provisions of NFMA applicable to all projects require the following: (a) resource plans and permits, contracts, and other instruments shall be consistent with the land management plan; (b) insure consideration of the economic and environmental aspects of management, to provide for outdoor recreation, range, timber, watershed, wildlife, and fish; and (c) provide for diversity of plant and animal communities. All of these considerations and requirements are addressed in the Decision Memo and the various resource reports in the project file. Therefore, project actions are consistent with these provisions of NFMA.

IMPLEMENTATION

This project may be implemented immediately. The District Ranger expects the drilling operations will commence as early as possible in 2008 (expected to be in late May or Early June) and will continue over a period of approximately eight to ten weeks. Site reclamation will be completed immediately following completion of drill work and is expected to take about three to five days.

ADMINISTRATIVE REVIEW OR APPEAL

This decision is not subject to appeal pursuant to 36 CFR 215.12 (e) because no comments or other expressions of interest expressing concerns were received during the comment period; therefore, implementation may occur immediately. This decision may be appealed by those with standing under 36 CFR 251.86(b).

Questions regarding this decision should be submitted by mail to Kim A. Di Rienz, Minerals Administrator, Sullivan Lake Ranger District, 12641 Sullivan Lake Road, Metaline Falls, WA 99153, or by telephone at (509) 446-7540, or email at kdirienz@fs.fed.us.



LINDA ELLETT FEE
District Ranger
Republic Ranger District

3/19/2008
Date

