



# CARLIN RESOURCES

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April 6, 2015

Via Federal Express and Electronic Mail

Ms. Nora Rasure  
Regional Forester  
Intermountain Region USFS  
324 25th Street  
Ogden, Utah 84401  
[Objections-intermtn-regional-office@fs.fed.us](mailto:Objections-intermtn-regional-office@fs.fed.us)

Re: Carlin Resources, LLC:  
Objection to Environmental Impact Statement for the Greater Sage-Grouse Bi-State Distinct Population Segment Forest Plan Amendment and Draft Record of Decision; Responsible Official – William A. Dunkelberger, Forest Supervisor

Dear Ms. Rasure:

Carlin Resources, LLC, (formerly known as Waterton Global Mining Company) (hereinafter “Waterton”) appreciates the opportunity to review the above-referenced Environmental Impact Statement (EIS) and draft Record of Decision (ROD). Because the ROD is based on analysis and recommendations in the EIS, comments on the ROD apply equally to the EIS, unless otherwise noted. Consistent with its December 17, 2013 comments on the draft EIS, Waterton has identified several objections and areas of concern in the EIS and ROD (collectively, the documents) and respectfully submits the comments below for your consideration.

Specifically, Waterton’s interest in the documents relates to the Esmeralda Project (Project), a gold and silver mining and milling operation located in Mineral County, Nevada. The Project area encompasses both private and public lands, with the public lands being administered by the U.S. Forest Service (Forest Service), Humbolt-Toiyabe National Forest. Mining activities, in one form or another, have occurred in the Project area for well over 150 years, and such activities have co-existed with populations of the Greater Sage-Grouse Bi-State Distinct Population Segment (DPS) during that time. Waterton is concerned that the policies and measures required in the documents could have serious negative impacts on Waterton’s future exploration and mining in the Project area, and therefore long-term negative economic impacts to the local economy as well.

Waterton appreciates the Forest Service’s efforts to conserve, enhance, and restore DPS habitats to provide for the long-term viability of the species. However, Waterton strongly objects to using an inflexible approach to meet those goals, and the ROD provides just that: “clear, inflexible management direction through standards and guidelines regarding what can and cannot occur on [National Forest System] lands . . . .” ROD at 3. A one-size-fits-all approach does not appreciate operational complexities

and nuances, nor does it recognize that facility-specific considerations will dictate conservation and management needs for each individual project. It also does not prioritize management efforts and resources to address the most significant risks to the species. These unique needs should be considered in any decision made by the Forest Service related to the Project.

The arbitrary management style promoted in the ROD is also based on an outdated and inaccurate premise: a March 2010 finding that existing regulatory mechanisms – for one reason or another – are inadequate to ameliorate threats to the sage-grouse or its habitat. *Id.* This threat is blamed on too much discretion afforded to decision makers. Waterton does not believe that the answer is to remove all discretion in favor of one immovable set of guidelines based upon one snapshot in time. Rather, Waterton urges the Forest Service to prioritize its efforts and resources on the most significant risks to the species and also take into account the progress made in sage-grouse conservation and management over the past five years. Industry initiatives, including mitigation banking and habitat restoration, the Natural Resources Conservation Service Sage-Grouse Initiative, and other similar conservation efforts have successfully integrated protective measures into various projects during the relevant time period, all without regulatory requirements to do so. Moreover, scientifically-defensible data suggest that DPS populations are not exhibiting declining trends in Nevada and California to date. Therefore, there is no demonstrated need to strengthen existing regulatory mechanisms, or implement inflexible management practices, where voluntary mechanisms are thriving and promoting sage grouse conservation, management, and population growth.

Waterton also objects to certain management decisions described in the ROD because, given the lengthy co-existence between natural resource use and the sage-grouse population in the Project area, the decisions are unnecessary. Specifically, in cases where leks and mining activities have co-existed for over a century, requirements to unduly limit offsite noise during an active lek session or to prohibit authorization of new pits or prospecting permits are draconian at best and needless at worst and potentially violate federal law including the 1872 Mining Law and FLPMA. ROD at 15 and 19. The hard-line requirements in the ROD do not account for differences in lek concentration, distances between lek and project location, or re-use of an already inhabitable area for new pits. The Project area, for example, currently includes five open pits, two exploration declines, a heap leach pad, a mill, two tailings storage facilities, various waste rock disposal areas, and associated ancillary disturbance – hardly a sought-after habitat for the sage-grouse or a location that should be subject to a no-new-pit-or-prospecting-permit requirement. In short, conserving habitat may be the purpose of the ROD and related Forest Plan Amendment, but not all habitat is equally deserving of conservation. The ROD does not address this concept.

The ROD also contemplates unnecessarily long (and likely burdensome) processing times in cases where habitat disturbance is permitted based on valid existing rights. The ROD threatens to make exploration and production associated with these rights uneconomical because substantial delay in project approval has been embedded within the approval process. Specifically, officers will be required to prepare a site-specific Forest Plan amendment that would only apply to the proposal in question. ROD at 4. However, before doing so, they will need to exhaust “all other possibilities” and document that process in the site-specific NEPA analysis. *Id.* Rather than balancing multiple land uses, as has historically been done in the

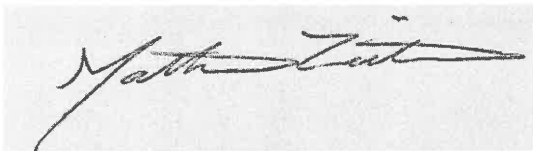
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past as is required under FLPMA, the ROD appears to only permit development – even development of existing rights – as a last resort, something that can only be approved if all other means to avoid the project proposal fail.

We appreciate the opportunity to comment on the documents and look forward to working with the Forest Service to develop management directives that account for operational nuances, site-specific considerations, and acknowledgement of existing, successful DPS conservation and management programs.

If you have any questions concerning this submittal, please contact me at (775) 623-5760.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Matthew Zietlow", is centered on a light gray rectangular background.

Matthew Zietlow  
Director, US Environmental Affairs  
Carlin Resources, LLC