

**FINAL  
DENTON-RAWHIDE MINE LAND SALE  
PLAN AMENDMENT  
AND  
DECISION RECORD**

EA-NV-030-07-021

**Carson City Field Office Consolidated Resource Management Plan  
August 2007**

Carson City Field Office, Nevada

**BLM**



**Carson City Field Office Consolidated Resource Management Plan  
FINAL  
DENTON-RAWHIDE MINE LAND SALE  
PLAN AMENDMENT  
AND  
DECISION RECORD  
EA-NV-030-07-021**

Prepared by:  
Department of the Interior  
Bureau of Land Management  
Carson City Field Office

The *Denton-Rawhide Mine Land Sale Plan Amendment*, as described and analyzed in the May 21, 2007 proposed plan amendment and environmental assessment EA-NV-030-07-021 and as follows, is approved.

*/s/ Ron Wenker*

Ron Wenker  
State Director, Nevada

*August 1, 2007*

Date

**Carson City Field Office Consolidated Resource Management Plan  
FINAL  
DENTON-RAWHIDE MINE LAND SALE  
PLAN AMENDMENT  
AND  
DECISION RECORD  
EA-NV-030-07-021**

**INTRODUCTION**

In early 2005 Kennecott Rawhide Mining Company (KRMC) requested that the Bureau of Land Management (BLM), Carson City Field Office conduct a sale of selected parcels of public land within and adjacent to fee land owned by KRMC at the Denton-Rawhide Mine in accordance with 43 CFR 2711.3-3. These parcels meet the criteria for disposal but have not been designated as such in the Carson City Field Office Consolidated Resource Management Plan 2001 (CRMP). Prior to commencement of a land sale, an amendment to the CRMP to change that designation is required.

This amendment to the CRMP provides for direct sale of the selected parcels of public land that lie among and adjacent to KRMC fee lands. Acquisition of the public land parcels by KRMC would result in consolidation of isolated tracts of public land into private ownership creating a contiguous block of private land for KRMC. Consolidation of land ownership in the mine area would allow KRMC to pursue sustainable development options or alternative post-mine land uses unrelated to mining.

Consolidation of these tracts of land into private ownership would also have the net effect of increasing efficiency of BLM management of land in the project area. These tracts, due to their location or other characteristics, are difficult and uneconomic to manage as part of the public land package in the area.

On May 21, 2007 the *Denton-Rawhide Mine Land Sale Proposed Plan Amendment and Environmental Assessment* (EA-NV-030-07-021) was completed and issued to the public. The proposed plan amendment was prepared under the regulations implementing the Federal Land Policy and Management Act of 1976 (43 CFR 1600) and the National Environmental Policy Act of 1969 (40 CFR 1500-1509). At the conclusion of the 30-day protest period and the Governor's Consistency Review, no protests were received and the proposed plan amendment was found to be consistent with State of Nevada plans, policies, and programs.

**DECISION RECORD**

The decision is hereby made to approve the *Denton-Rawhide Mine Land Sale Plan Amendment* (Plan Amendment) to change the land tenure designation of selected parcels of public land from retention to disposal resulting in a BLM sale offer of the land to KRMC using direct (non-competitive) sale procedures. The approved Plan Amendment is identical to Alternative A - Proposed Resource Management Plan Amendment, as described and analyzed in the May 21, 2007 proposed plan amendment and environmental assessment EA-NV-030-07-021.

## ALTERNATIVES

Two alternatives were considered in the *Denton-Rawhide Mine Land Sale Proposed Plan Amendment and Environmental Assessment*. The alternatives analyzed are:

- Alternative A – Proposed Resource Management Plan Amendment would change the land tenure designation of selected parcels of public land from retention to disposal resulting in a BLM sale offer of the land to KRMC using direct (non-competitive) sale procedures. The area proposed in the Plan Amendment includes approximately 425 acres located in portions of Sections 4, 5, 8, and 9, Township 13 North, Range 32 East; Mineral County, Nevada.
- Alternative B – No Action, Continuation of Current Management, public land would remain designated for retention in federal management and no sale would occur. Should the No Action Alternative be selected, reclamation of public land parcels included in the proposed sale would be completed in accordance with the existing plans approved by BLM under Permit No. N36-86-003P and Nevada Bureau of Mining Regulation and Reclamation Permit No. 0041.

## RATIONALE

The Plan Amendment meets the criteria for sale of public land and minerals contained in Section 203 and Section 209 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1713). This Act allows disposal of tracts that due to their location or other characteristics are difficult and uneconomic to manage as part of the public land in the area.

BLM's current policy and regulations for land sales (43 CFR 2710.0-6 (c)(1-5)) require use of competitive sale procedures unless the authorized officer determines the public interest would best be served by modified competitive bidding or direct (non-competitive) sale. In this instance, KRMC owns 758 acres of land that surround or adjoin the public land proposed for sale. KRMC also holds mining claims filed pursuant to the 1872 Mining Law on all the public land proposed for sale. In recognition of KRMC's existing equities in the land and their adjoining ownership, KRMC meets regulatory requirements for a direct sale. There is little likelihood that KRMC would relinquish their interest in existing mining claims that currently encumber the land to facilitate a competitive sale of the surface and minerals of the public lands.

Many parcels included in the proposed land sale are fractions of acres surrounded by private fee land. In addition, none of the parcels are considered suitable for management by another Federal department or agency. Disposal of these tracts would serve important public objectives including but not limited to expansion of communities and economic development. Such use of these tracts could be achieved prudently or feasibly in conjunction with fee land and therefore outweigh other public objectives and values, including recreation and scenic values, which would be served by maintaining such tracts in Federal management.

BLM policy requires "*Planning decisions...be developed in concert with sustainable development concept. These concepts include a vision of economic prosperity, a healthy environment, and a just and equitable society.*" Consolidation of the selected public land tracts will reduce the administrative land management burden of the BLM for isolated parcels within and immediately adjacent to the Denton-Rawhide Mine complex. Acquisition of this property will consolidate land within and surrounding the open pit mine into private ownership and

accommodate pursuit of other sustainable, post-mine development opportunities and will likely result in employment and tax revenues for Mineral and Churchill Counties.

A mineral potential evaluation was completed for the public land within the sale area and no “known mineral values” were identified. As provided for under Section 209 of FLPMA, all minerals will be conveyed in the public land sale to avoid splitting surface and mineral ownership of the land.

### **PUBLIC INVOLVEMENT**

A Notice of Intent to prepare an Amendment to the Carson City Field Office CRMP was published in the Federal Register on October 17, 2005 (NV-030-5700-EU; N-79995). Publication of this notice in the Federal Register initiated a 30-day public scoping period for the Proposed Action that provided for acceptance of comments through November 18, 2005.

The Board of Mineral County Commissioners held a public hearing on November 2, 2005 in Hawthorne, Nevada to accept comment on the proposed sale of public land to KRMC. A representative of the Mineral County Regional Planning Commission and Director of Hawthorne Utilities were present and expressed support for the land sale.

On May 21, 2007 the *Denton-Rawhide Mine Land Sale Proposed Plan Amendment and Environmental Assessment* (EA-NV-030-07-021) was completed and issued to the public. Notification of the availability of the document was made via the local media, the Nevada State Clearinghouse, and posted on the Carson City Field Office website. Public presentations were conducted before the Mineral County Commissioners on June 6, 2007 and the Churchill County Commissioners on June 7, 2007. The only questions were related to scheduling for completion of the process. At the conclusion of the 30-day protest period and the Governor’s Consistency Review, no protests were received and the proposed plan amendment was found to be consistent with State of Nevada plans, policies, and programs.

### **APPROVAL**

The *Denton-Rawhide Mine Land Sale Plan Amendment*, as described and analyzed in the May 21, 2007 proposed plan amendment and environmental assessment EA-NV-030-07-021 and as follows, is approved. This decision is not subject to administrative appeal, and, in accordance with Resource Management Planning regulations at 43 CFR 1610.5-5, the amendment may be implemented 30 days after issuance of public notice of this decision.

## Final Denton-Rawhide Mine Land Sale Plan Amendment

The Final Denton-Rawhide Mine Land Sale Plan Amendment changes the land tenure designation of selected parcels of public land from retention to disposal resulting in a BLM sale offer of the land to KRMC using direct (non-competitive) sale procedures. The area in the Plan Amendment is shown on **Figure 2** and includes approximately 425 acres located in portions of Sections 4, 5, 8, and 9, Township 13 North, Range 32 East; Mineral County, Nevada.

Consolidation of the selected public land tracts will reduce the administrative land management burden of the BLM for isolated parcels within and immediately adjacent to the Denton-Rawhide Mine complex. Acquisition of this property will consolidate land within and surrounding the open pit mine into private ownership and accommodate pursuit of other sustainable, post-mine development opportunities for the site.

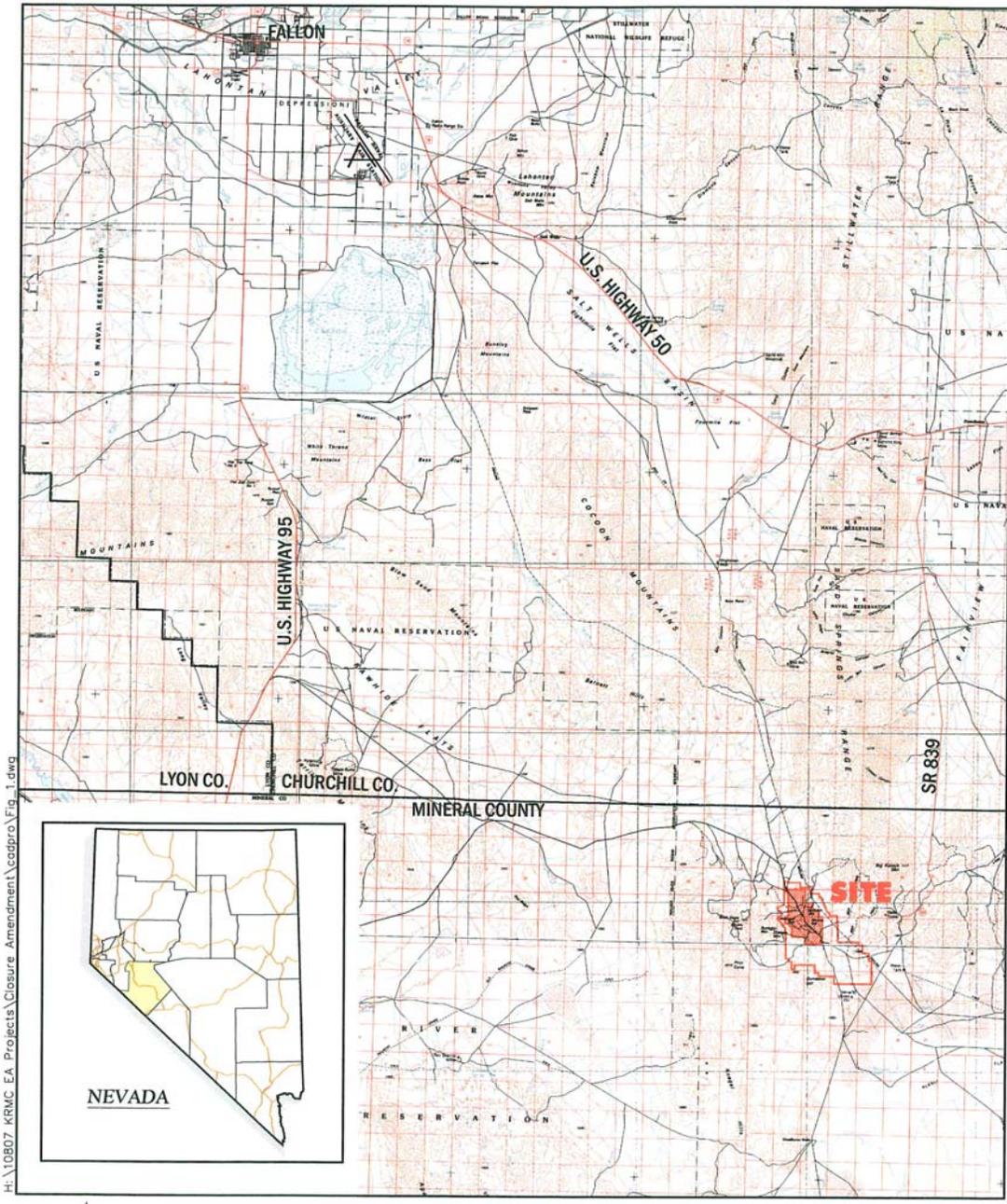
Existing mine infrastructure on the parcels of public land identified for disposal designation and sale include Administrative and Training buildings consisting of multiple off-site constructed buildings. The Truck Shop, Geology Shed, and Merrill-Crowe Processing Plant have concrete foundations and floors and are constructed with steel I-beams and steel siding.

The Administration and Training Center buildings are used by KRMC to support current ore processing and mine closure activities. Since mine operations ceased in 2002, use of the Truck Shop for its intended purpose as an equipment repair and maintenance facility has decreased and portions of it are used for dry storage. The Geology Shed is used to store rock cores from exploration drilling. The Merrill-Crowe Processing Plant is used to extract gold and silver from ongoing process solution applied to the heap leach facility.

Additional facilities located on public land designated for sale include a fuel farm with several aboveground tanks containing various petroleum products including diesel fuel, gasoline, hydraulic oil, and motor oil. The tanks are located near the Truck Shop facility. Process ponds associated with ore processing, a petroleum hydrocarbon bio-remediation cell, and truck and equipment wash pad are also located on public land designated for sale as shown on **Figure 2**.

Final disposition, reclamation, and closure of these facilities will remain the responsibility of KRMC pursuant to BLM Permit No. N36-86-003P and Nevada Bureau of Mining Regulation and Reclamation Permit No. 0041. The Nevada Division of Environmental Protection holds a performance bond on the mine complex to ensure closure is in accordance with approved plans.

Two existing water wells and a water line, installed to service the mine, could also augment other potential industrial post-mine uses. Any entity involved with post-closure use of this water source will need to obtain the water right for these wells from the State Engineer. A 10.8 kV power line and substation servicing the mine will require re-authorization by BLM for any future post-mine uses.

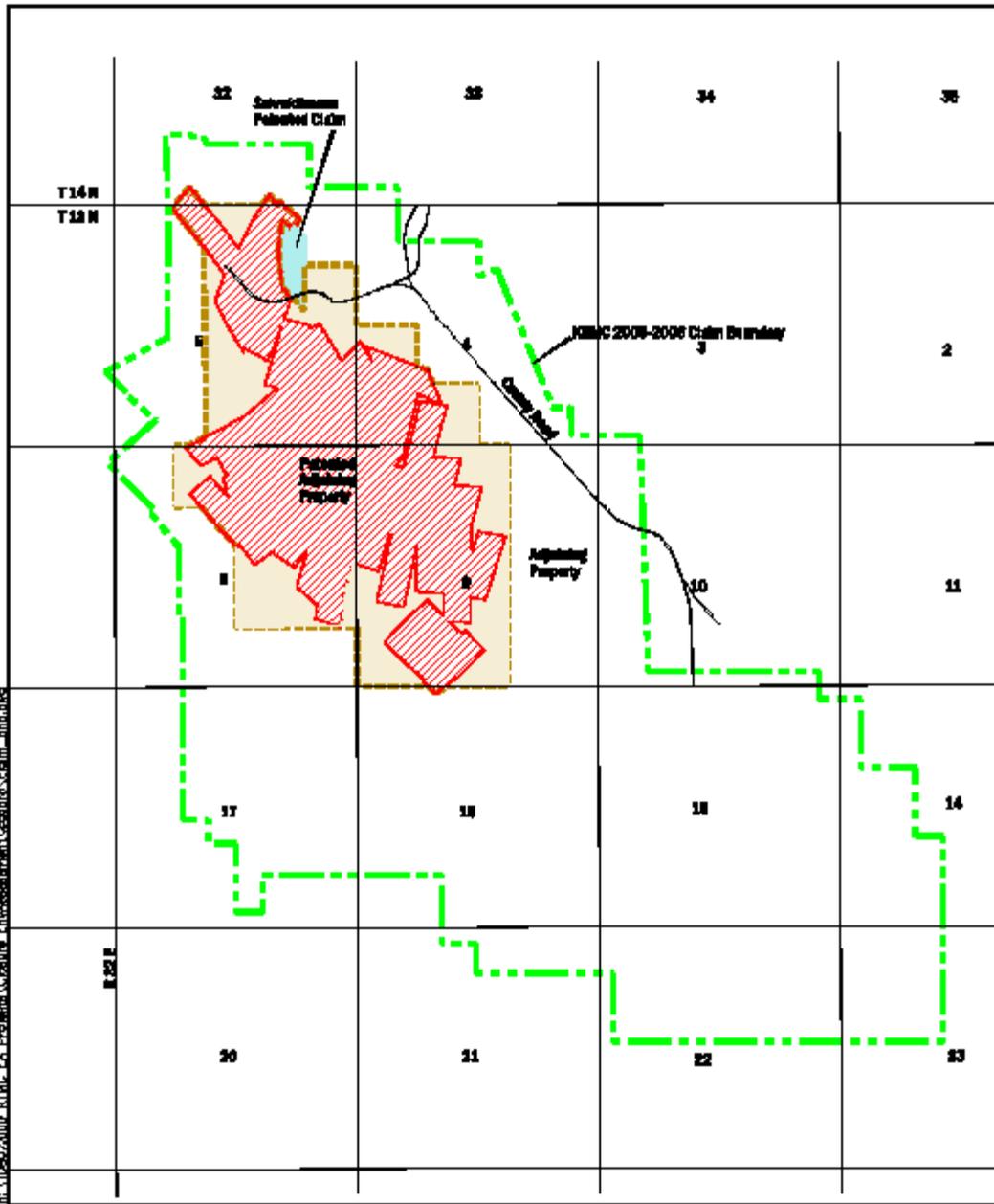


H:\10807\_KRMC\_EA\_Projects\Closure Amendment\cadpro\Fig\_1.dwg

From USGS 100K Fallon and Walter Lake Quads



Location Map  
 Environmental Assessment  
 Denton-Rawhide Mine  
 Mineral County, Nevada  
 FIGURE 1



J:\109674010\_RTM EA Prelim\Claims\_Env\assess\map\Legend\clm\_hnd.dwg

**Public Land Proposed for Purchase**  
**Environmental Assessment**  
**Denton-Rearhide Mine**  
**Mineral County, Nevada**  
**FIGURE 2**