ENVIRONMENTAL ASSESSMENT

ENVIRONMENTAL ASSESSMENT NUMBER
DOI-BLM-OR-135-2012-EA-0005

SERIAL NUMBER
WAOR 62891

DATE OF REPORT
May 22, 2012

BLM RESOURCE AREA
Border

COUNTY
Stevens

TYPE OF ACTION
Removal of Previously Mined Waste Rock from the Queen Seal Mine

APPLICANT'S NAME
BLM – Spokane District Office

ADDRESS (Include zip code)
BLM – Spokane District Office
1103 North Fancher
Spokane, WA 99212

DATE(S) OF FIELD EXAMINATION – Numerous examinations over a five year period (continuing)

LANDS INVOLVED

<table>
<thead>
<tr>
<th>Township</th>
<th>Range</th>
<th>Meridian</th>
<th>Section</th>
<th>Subdivision</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>T. 29 N.</td>
<td>R. 37 E.</td>
<td>Willamette</td>
<td>11</td>
<td>Center</td>
<td>&lt;2</td>
</tr>
</tbody>
</table>

PURPOSE OF REPORT:
To determine the environmental effects of removal of up to 40,000 tons of previously mined waste rock from this Federal parcel over an estimated 4 month period.
I. Introduction

A. Background:
The Queen Seal mine is located in the southern Huckleberry Mountains, southeast of Hunters, WA (see attachment 1). The mine has large piles of waste rock surrounding the old mine workings. This waste rock material was originally removed from the mine during production around 1930 to 1940. The waste rock material contained only limited metallic mineral content which made it uneconomic at the time of mining and it was dumped on the land adjacent to the mine workings.

On March 6, 2006, BLM was approached by a mineral company engaged in exploration and sampling of 180 tons of old waste rock material by removing bulk samples from several of the previously dumped mine waste rock piles in the Queen Seal and Deer Trail mine areas. For these operations, the mining company submitted a bond in the amount of $1,500 to ensure reclamation of these sites.

On October 14, 2011, BLM received a Notice of Operations from an unpatented mining claim owner, stating intent by to engage in mineral exploration and sampling of 35 tons of material from the Queen Seal mine waste rock area, the same area as this document addresses. Under the Notice of Operations regulations, BLM acknowledged the proposed activity. No bond was required due to the limited potential to disturb a previously disturbed waste rock pile, the limited nature of the sample to be taken and the retention the $1,500 bond previously provided to BLM. The mining company successfully excavated the 35 tons of waste rock from BLM administered land and moved it onto private property, and returned no material onto BLM property.

On November 3, 2011, the same mining company submitted a Plan of Operations (PoO) to the BLM Border Field Office stating their intent to engage in larger scale mineral removal of a portion of the Queen Seal mine waste rock. The plan is to remove the entire waste rock pile associated with the upper Queen Seal mine shaft previously refilled by BLM during the October 2002 AML reclamation work. No right-of-way was required for haulage of material from this project based on access granted under the 1866 and 1872 mining laws. Little in the way of reclamation requirements are expected for the access roads due to quality of the road surface and expected winter or summer operations when the road surface is frozen or dry. Some water bars may be removed during hauling and replaced at the end of the project. Any road damage associated with the project will be repaired to original conditions by the proponent.

B. Decision to be Made:
In accordance with 43 CFR 3809.411, the BLM has three options when a claimant submits a plan of operations (PoO) for approval:
1) Approve the PoO as submitted.
2) Approve the PoO subject to modifications.
3) Disapprove (or withhold approval).

C. Purpose and Need for Proposed Action:
Federal regulations (43 CFR 3809.11) require a mining claimant to submit a plan of operations to BLM and obtain approval before beginning operations greater than casual use or Notices of Operations (43 CFR 3809.21). Action is necessary by the BLM because, in accordance with 43 CFR 3809.411, after completing its review, including public involvement and compliance with NEPA, the BLM must approve the PoO as submitted; approve the PoO subject to modifications; or disapprove (or withhold approval) of the PoO. The BLM’s purpose is to prevent unnecessary
or undue degradation of public lands by operations authorized by the mining laws, as required by 43 CFR § 3809.1

D. Issues
Initial discussion of issues related to this waste rock removal project identified by the Interdisciplinary (ID) Team were generally the standard air, water, wildlife, botany and cultural resources. Individual specialists analyze their area of specialty related to the project and provide input into the Environmental Assessment.

Public scoping was initiated with a notification postcard physically mailed to about 200 interested parties. The project related documents were posted electronically on the BLM Planning web site referenced on the postcards. The physical address and phone number of the BLM Spokane District Office was provided as well as the general electronic mailbox. The email address of Mr. Sweeney, BLM geologist, was also provided.

Scoping occurred over a 30 day period ending January 17, 2012. An additional 15 day grace period was provided for delayed postage documents. No response to the scoping process for the waste rock removal project was received in any form by BLM.

E. Location of Proposed Action:
This project is located in the huckleberry Mountains about 7 miles southeast of Hunters, in Stevens County, WA. The legal description of this tract is Township 29 North, Range 37 West, Section 11, Center, Willamette Meridian (see attached maps).

F. Compliance with Applicable Land Use Plan:
The Proposed Action and alternatives would be in compliance with the Spokane Resource Management Plan Record of Decision (1987). Specifically, this proposed action is provided for in one of the RMP general management objectives: “Keep public lands open for exploration/development of mineral resources, rights-of-way, access, and other public purposed with consideration to mitigate designated resource concerns.”

G. Relationship to Statutes, Regulations, or Other Plans:
The proposed action is in conformance with federal law and regulations as described in the Purpose and Needs section above.

II. Proposed Action and Alternatives
This document describes the analysis of three alternatives:

- Alternative A: Approve the PoO as Submitted (Proposed Action)
- Alternative B: Approve the PoO with Modifications (Preferred Alternative)
- Alternative C: Reject the PoO (No Action)

A. Alternative A: Approve the PoO as Submitted (Proposed Action)

BLM would approve the PoO as submitted (see attached PoO) with standard conditions of approval (see attached). Under this PoO, MRJ Resources, LLC would remove approximately
40,000 tons of waste rock piled at the Queen Seal mine. Key and major actions under this PoO would include:

1) Material will be transported upon across BLM land and private land.

2) Roads will be watered by a water truck during hauling to minimize dust and graded where use damage related to this project occurs.

3) A site of less than 2 acres would be disturbed on Federal land.

4) The entire mining sequence for this estimated 40,000 ton excavation would be about four months upon receipt of authorization to proceed from BLM.

5) Reclamation would be completed by bulldozer spreading topsoil on the disturbed site. Native grasses will be seeded on the site during the winter snow months using grass mixtures and timing as directed by BLM specialists. Evergreen and deciduous trees similar to existing trees in the surrounding forested areas will be planted in the spring under BLM specialist direction. Silt fences will remain in place until BLM designates that sufficient vegetation has been established to control erosion and the site is deemed stable by the BLM. Bond requirements are estimated at $2,500. Water sprays would be used at the site if needed to reduce fugitive dust.

6) Noxious weeds would be controlled on site using BLM approved chemical applications. Approximately less than 2 acres would be treated within the waste rock removal area. The threshold to implement treatments would be based on observations of weed infestations from both monthly monitoring by MRJ and annual inspections by BLM staff. Monitoring and treatment of noxious weeds shall continue for at least 3 years following the final reclamation.

6) The down-gradient areas of the removal site would be protected with silt fence to insure minimal sedimentation from leaving the site. The excavation would proceed in a manner which would maintain a working pad which dips into the hillside. This method promotes precipitation pooling at the highwall and helps prevent sheet runoff from the site.

7) Excavation would remove waste rock material down to native soils. The waste rock material would be removed from the pile using a large track-mounted excavator. Material would be dug out of the pile and loaded directly into 5 cubic yard capacity rubber tired or, during the winter months, into tracked dump trucks. The trucks would haul the waste rock from the Queen Seal mine area either to the private Deer Trail mine facility in the winter months, or if weather permits, all the way to a laydown facility situated 2.5 miles south of the town of Fruitland, WA.

8) Once the waste rock material has left the Federal land it will not be returned to Federal land.

9) Support equipment at the site would consist of 4x4 pickup trucks, a water truck for dust suppression and a maintenance vehicle. There is no power established to the site and small generators would be used to operate any necessary processing equipment and/or support administrative facilities.

10) No potable water source is available at this site and portable toilets would be used and removed after the waste rock pile was excavated.
11) Road surface damage may occur depending on temperature and precipitation during the haul season. Damage to the BLM road surface done by the mining company haul will be repaired by the mining company.

B. Alternative B: Approve Submitted PoO with Modifications (Preferred Alternative)

Under this alternative the BLM would approve the PoO with the following modifications and conditions:

1) Upon completion of materials removal, the entire excavated area would be reclaimed. All resulting material or earthen slopes will have a maximum steepness of not greater than 2 horizontal to 1 vertical (2:1) unless otherwise authorized by the BLM. The site would then be contoured and covered with growth media in preparation for planting. Native grasses, trees and shrubs would be planted on the site and weeds would be controlled using BLM approved herbicides. The site will be monitored by MRJ for vegetation regrowth, erosion or adverse impacts on a monthly basis.

2) MRJ Resources will coordinate with BLM to control noxious weeds within the proposed project area as well as an additional 100 foot buffer around the waste rock removal area. This buffer should add approximately 0.75 acres to the project area. In this alternative, an integrated weed management approach (IWM) is used to incorporate prevention measures, best management practices, and adaptive management based on monitoring results to achieve desired weed control objectives. Weed control treatments will be implemented in accordance with the Vegetation Treatments Using Herbicides Programmatic Environmental Impact Statement (PEIS) (BLM 2007).

BLM will assist MRJ Resources with weed identification and inventory mapping to locate the current extent of noxious weed infestations in the project area. Existing noxious weeds may be treated prior to waste rock excavation and removal to prevent spread of weeds from BLM lands to the laydown facility. All herbicide applications would comply with label restrictions, federal and state regulations, and standard operating procedures (SOPs) described in the BLM PEIS. Prior to any herbicide application a Pesticide Use Proposal (PUP) will be submitted to BLM. The PUP will include the dates and locations of application, target species, herbicide, adjuvants, and application rates and methods (e.g., spot spray vs. boom spray).

To prevent and control the spread of noxious weeds a weed management plan utilizing an IWM approach has been proposed for this project. Key elements of the plan will include:

- Before entering the project area vehicles and equipment used for excavation and hauling will be washed to prevent weed seeds and contaminated soil from introducing new noxious weed species.
- Minimize ground disturbing activities to the extent practical.
- Any new materials used to control erosion or facilitate reclamation of the site must use certified weed-free materials. These materials may include Washington State Department of Agriculture (WSDA) certified weed-free seeds, straw or hay. If certified weed-free materials are not available, then alternative SOPs will be used in consultation with BLM.
- Mechanical and chemical weed control methods will be implemented during the appropriate period of plant development in order to maximize effectiveness of treatments.
These treatments will be designed to prevent seed production within the current growing season.

- Personnel applying herbicides shall possess a current WSDA pesticide applicators license.
- On federal lands specific application rates and methods are subject to approval by BLM in accordance with the PUP.

The 2007 PEIS and the 2010 Vegetation Treatments Using Herbicides on BLM Lands in Oregon FEIS analyzed the environmental affects and risk assessment of herbicides approved in Oregon and Washington States. The findings of these analyses are tiered to this management plan.

The following herbicides, application rates, and timing are proposed for the project.

<table>
<thead>
<tr>
<th>Herbicide Active Ingredient</th>
<th>Maximum Application Rate</th>
<th>Application Technique</th>
<th>Timing of Application</th>
<th>Target Species</th>
<th>Area of Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Picloram</td>
<td>1 lbs./acre</td>
<td>Vehicle, backpack sprayer</td>
<td>spring/fall</td>
<td>All species</td>
<td>Roadsides, waste rock piles</td>
</tr>
<tr>
<td>Clopyralid</td>
<td>0.5 lbs./acre</td>
<td>Vehicle, backpack sprayer</td>
<td>spring/fall</td>
<td>All species</td>
<td>Roadsides, waste rock piles, adjacent forested lands</td>
</tr>
<tr>
<td>2,4-D Amine</td>
<td>1.9 lbs./acre</td>
<td>Vehicle, backpack sprayer</td>
<td>spring</td>
<td>All species</td>
<td>Roadsides, waste rock piles, adjacent forested lands</td>
</tr>
<tr>
<td>Dicamba</td>
<td>2 lbs./acre</td>
<td>Vehicle, backpack sprayer</td>
<td>spring/fall</td>
<td>All species</td>
<td>Roadsides, waste rock piles, adjacent forested lands</td>
</tr>
<tr>
<td>Metsulfuron methyl</td>
<td>0.15 lbs./acre</td>
<td>Vehicle, backpack sprayer</td>
<td>early spring/fall</td>
<td>All species</td>
<td>Roadsides, waste rock piles, adjacent forested lands</td>
</tr>
<tr>
<td>Glyphosate</td>
<td>7 lbs./acre</td>
<td>Vehicle, backpack sprayer</td>
<td>spring/fall</td>
<td>All species</td>
<td>Roadsides, waste rock piles, adjacent forested lands</td>
</tr>
</tbody>
</table>
Herbicide applications will be conducted as spot treatments using backpack sprayers within the 100 foot buffer of the waste rock excavation area. Picloram will not be applied under or within the drip-line of trees and woody plants due to its mobility in soil. Applicators should use caution to prevent non-target damage to grasses when applying the non-selective herbicide glyphosate outside of the excavation area. Broadcast applications from vehicles will be limited to roadsides and the excavation area.

Annual monitoring and treatment of noxious weeds shall continue for at least 3 years following the final reclamation. This monitoring will provide the adaptive management framework for implementing appropriate reclamation and treatment measures. If after 3 years post-excavation conditions have not achieved desired results, monitoring and treatment will continue until these conditions are met.

3) No blasting would be required during any phase of this proposed operation. No buildings or structures would be constructed on Federal land. Water sprays would be used at the site if needed to reduce fugitive dust. Bond requirements are estimated at $2,500.

4) MRJ will obtain all applicable Federal (Mine Safety and Health Administration), State and local permits which apply to any aspect of this proposed operation. MRJ will provide a copy of those permits to BLM.

5) All fueling and lubrication of machines will be done over leak-proof containment liners or vessels designed to prevent any spill contamination of hydrocarbons or chemicals to BLM land. MRJ will control any problem dust with water trucks and sprays if needed.

6) A written Safety Plan shall be posted at the worksite. A First Aid, CPR trained person will be onsite at all times during operations. A minimum of two persons shall be present on site during operations. First Aid kits will be carried at all times in all equipment and vehicles.

7) Haulage routes will be clearly marked with signs to inform other vehicle operators that Citizens Band (CB) radios operating on channel 20 are the communications used by the haul trucks and mine related vehicles.

8) No waste rock haulage from the Queen Seal mine waste rock dump is allowed during the period of October 10th through November 6th. This safety closure is required to avoid conflict with recreation associated with local modern firearm seasons for deer (October 13 – 26 & November 10 - 19) or elk (October 27 – November 4).

9) If any archaeological resource (historic or prehistoric site or object) is discovered by the operator or any person working on the operator’s behalf, on federal lands, the operator shall immediately stop all operations in the area, immediately notify the Authorized Officer (AO) (Field Manager, Border Resource Area) verbally, and follow such verbal notification with a written confirmation (certified mail recommended). In accordance with 43 CFR §10.4 (c)(d) and (g), if the discovery includes human remains, funerary items, sacred objects, or objects of cultural patrimony, operations shall remain suspended and the discovery protected for thirty (30) days or until a written notice to proceed is issued by the AO. An evaluation of the resource or remains will be made by the AO and appropriate mitigation actions will be identified in consultation with the State Historic Preservation Officer (SHPO), consulting tribes, and holder.
Holder shall be responsible for evaluation and mitigation costs. All archaeological materials shall remain the property of the United States.

C. Alternative C: Reject the PoO (No Action Alternative)
The BLM would reject the PoO and deny the project.

III. **Affected Environment and Environmental Impacts**

A. General Setting
This site is located at elevation 3,980 above mean sea level (AMSL) in the southern Huckleberry Mountains. Rocks are generally metasedimentary in nature with numerous metallic mineral mines and exploration workings throughout the area. The terrain is generally steep with dense growth of brush and conifer trees. The area is open space with generally no development.

Surrounding area land-use includes mining and milling to the north, timber cutting on all sides, farming to the distant west, and sparse residential development also to the west. The area is open space timberland with recreation, hunting, wood cutting and camping as the primary public uses.

In October 2002, the Bureau of Land Management (BLM) carried out an Abandoned Mine Land (AML) remediation project at the Queen Seal and surrounding mines in the southern Huckleberry Mountains. Activities associated with a Categorical Exclusion (CX) prepared for this work included demolition and burning of old mill buildings, removal and disposal of unburned building materials and removal of inoperative mill equipment.

In addition, the BLM had mine adits and shafts that did not have bats present sealed using a bulldozer. The BLM also had slopes and waste rock piles contoured and graded to prevent runoff erosion and the access road was repaired and graded. The BLM then seeded the entire area and carried out weed control for several years. The site has been undisturbed since.

B. Air Quality:

*Affected Environment:*

According to the 2004BLM - Huckleberry Mountains Forest Management Programmatic Environmental Assessment (OR135-FY04-007), “Air quality in the vicinity of the proposed project area is rated high and is generally maintained throughout the year. Natural factors influencing air quality here are mountainous topography, prevailing southwesterly winds from the Columbia Basin, and weather fronts from the Pacific Ocean and Canada.” The area is generally open space with southwesterly winds removing local contaminants, rural setting, and lack of concentrated population around the site. Local sources of potential air contaminants include the timber harvesting operations on BLM to the east, farming to the west, dirt forest roads on-site and residential heating smoke from the west. BLM assessment of the site indicates that fugitive dust issues will be minimal in this area and can be controlled with water spray if dust develops on the roads.

*Environmental Impacts from Alternative A: Approve the PoO as Submitted (Proposed Action):*

Direct impacts to local air quality as a result of this project are expected to be short term in nature and would cease upon completion of hauling and reclamation of the site. Impacts would include on and off-site dust generation and motor vehicle emissions from on-site excavation and
transportation operations (approximately 10 round trips per day by 4 dump trucks, 40 round-trips) by hauling and mine operation vehicles). Air quality impacts should cease upon conclusion of the excavation / hauling operations and final reclamation.

Fugitive dust issues are addressed in the mining plan and will be controlled using water sprays. Dust emission from the new operation located on the BLM parcel would meet air quality permit standards as directed in the mine plan of operations.

*Environmental Impacts from Alternative B: Approve the PoO with Modifications (Preferred Alternative)*:

Direct impacts to local air quality would be the same as described for Alternative A.

*Environmental Impacts from Alternative C: Reject the PoO (No Action):*

No additional impacts to local air quality would occur.

*Cumulative Impacts:*

Air quality impacts from equipment operation relative to this mining project would occur in addition to current logging operations that already utilize local access roads to remove timber from off of the BLM and adjacent private forest lands (approximately 15 trips/day). During the current proposed waste rock haulage period of early in the spring and summer, there should be minimal concurrent hauling of logs and waste rock on the same BLM roads. This is because during that time period, the proposed BLM logging is only scheduled to take place in section 1, north of the Deer Trail private parcel, not near the waste rock pile excavation. That logging in section 1 will only access onto two lane Stevens County gravel roads north of the private parcel. Both log and mining traffic would utilize the county road.

For a period of about three to four months, the waste rock removal project would add to and increase the dust particulate and hydrocarbon exhaust emissions along the 3.2 miles of county gravel road corridor. Watering and the remoteness of the proposed mining site BLM access roads will help minimize the effects of this increased particulate level. Road use which results from the waste rock removal project should not significantly add to current air quality issues in the area, mainly resulting from logging operations. Total use of dirt and gravel roads in the vicinity from the proposed action and logging operations would total about 40 round trips per day (80 one-way trips). Hence the proposed action would contribute 2.5 times more to the dust effect than the logging operations. No other mining related operations are active in the area.

Upon reclamation, the project would no longer contribute to cumulative impacts to air quality.

C. **Water Quality:**

*Affected Environment:*

No permanent surface waterways protected by the Clean Water act are present on or directly adjacent to this proposed mine site. The subject parcel is at an average elevation of about 3,890 feet AMSL. The nearest permanent surface water feature in the area is a small human constructed settling pond situated about 400 feet to the southeast of the proposed excavation site. This small pond is the result of underground mine water, draining from a discharge pipe which
was installed into a Queen Seal mine adit during closure to prevent water build-up in the underground workings of the mine. The purpose of this drain pipe was to prevent future catastrophic failure and related flooding from the adit. Discharge from the pond does not enter local streams but instead, infiltrates into local soils soon after leaving the pond. The nearest perennial stream is situated down gradient ¼ mile to the east at elevation 3,800 feet AMSL.

Seasonal water occurs on the parcel from winter rains and snowmelt. Overall water quality adjacent to the site appears to be good due to the groundwater source from mine adit discharge water and to and locally abundant vegetation and wildlife use of the discharge pond area. According to the “Water Quality Assessment for Washington” Simple Query Tool at web site at http://apps.ecy.wa.gov/wats08/Default.aspx, Washington State Department of Ecology does not rate the small intermittent stream adjacent to the proposed excavation area.

Section 303(d) of the Federal Clean Water Act requires Washington State to periodically prepare a list of all surface waters in the state for which beneficial uses – such as for drinking, recreation, aquatic habitat, and industrial use – are impaired by pollutants. These are water quality limited estuaries, lakes, and streams that fall short of state surface water quality standards, and are not expected to improve within the next two years. A description of the Washington State Water Quality Assessment can be viewed on the web at http://www.ecy.wa.gov/programs/wq/303d/introduction.html. No discharge occurs from the proposed waste rock excavation area into any adjacent streams.

*Environmental Impacts from Alternative A: Approve the PoO as Submitted (Proposed Action):*

There should be no measurable effects on the local waters from this proposed operation due to lack of connectivity on water sources with the waste rock removal site. Surface water quality at the site may show some initial impacts due to the disturbance of fine grained sediments associated with excavation of the waste rock. These “fines” will be controlled through the use of silt fences surrounding the lower portions of the excavation area and dipping the excavation platform slightly into the adjacent hill slope in order to prevent precipitation from running off of the site. Overall, surface and groundwater quality at this site should not be affected with proper abatement controls described in the mining plan. As directed in the PoO, the mining company will establish a centripetal drainage where the majority of runoff water at the site will flow towards the center of the mining area for infiltration.

*Environmental Impacts from Alternative B: Approve the PoO with Modifications (Preferred Alternative):*

Effects to water quality would be the same as described for Alternative A.

*Environmental Impacts from Alternative C: Reject the PoO (No Action):*

No additional impacts to local water quality would occur.

*Cumulative Impacts:*

Water quality impacts relative to this mining project should be minimal and there are no other directly adjacent mining operations. Logging on local forest parcels may cumulatively add to erosion potential in local drainages during periods of runoff. The remoteness of the proposed mining site minimizes the potential human impact effects of this project.
D. Cultural Resources:

Affected Environment:

The BLM completed a cultural inventory for this site in 1998 as a prerequisite for the AML work done on the adjacent Queen Seal Mine openings. No significant cultural resources were found and the BLM recommended that the site was not eligible for the National Register of Historic Places. The Department of Archaeology and Historic Preservation agreed with the BLMs recommendation in a letter dated October 22, 1998.

The BLM notified the Department of Archaeology and Historic Preservation (DAHP) and the Spokane Tribe of Indians of the waste rock removal proposal on 12/13/2011. At that time, we asked them to provide any comments or concerns regarding the proposal. We asked for concurrence from DAHP for our recommendation of no historic properties affected by the proposed undertaking. We received concurrence from DAHP on 1/3/2012. No responses were received from the Spokane Tribe.

This assessment applies to all Alternatives.

E. Recreation Use:

Affected Environment:

Recreation in the vicinity of this site is moderate and dispersed and currently includes hunting, fishing, wood gathering, mineral exploration, 4X4 driving, ATV riding, camping, and occasional hiking on the network forest roads and animal trails that dissect the area.

Impacts from Alternative A: Approve the PoO as Submitted (Proposed Action):

Recreational use of the area will be affected during the local large game hunting seasons. Mining removal and reclamation of the waste rock piles will be curtailed during this time, as described in this document and the mine PoO, to avoid this conflict. The removal operation is expected to take place in late spring to mid-summer and completely avoid the primary fall large game hunting seasons if possible. Effects will include locally increased noise, increased traffic on a minor portion of the BLM forest roads and county access roads. Numerous roads and alternate access routes into the area should effectively minimize conflict with recreational use.

The location of the waste rock piles off of the main forest roads will minimize the effects on the recreating public. Partial small scale road restrictions will help to insure public safety access to the BLM forest roads in the area of the waste pile removal.

Impacts from Alternative B: Approve the PoO with Modifications (Preferred Alternative):

Impacts to recreation would be the same as those described for Alternative A.

Impacts from Alternative C: Reject the PoO (No Action):
No additional impacts to recreation in the proposed project would occur.

**Cumulative Impacts:**

Recreational use impacts relative to this mining project should be minimal. The greatest potential impact would be temporary partial closure of the mine access road to public vehicles as the waste rock pile is dissected. The remoteness of the proposed mining site and limited travel in this area during the proposed mining period minimizes the potential recreation impact effects of this project. Locally, timber harvesting and associated log hauling has a much greater effect on recreational use in the area. Access roads to previously harvested areas of BLM have been gated and locked to exclude vehicle use. The temporary nature of the mineral removal project and the remoteness of the site significantly reduce impacts to the recreating public.

**F. Soils:**

**Affected Environment:**

Soils in the area of the proposed excavation of waste rock are classified primarily as Hartill silt loam forming 25 to 40 percent slopes. This soil supports dense conifer and moderate under growth which surrounds the waste rock dump area.

**Environmental Impacts from Alternative A: Approve the PoO as Submitted (Proposed Action):**

There should be no impacts to local soils except at the mining site. The soils within the footprint of the current waste rock pile and around the periphery of the waste rock dump would be disturbed. Soils within the footprint would be loosened and stockpiled for reclamation during mining and the peripheral soils would be loosened and used as regrowth medium for the periphery of the disturbed site. Potentially contaminated waste rock will be removed as a source of pollution to local soils. Once the waste rock is removed, underlying soils will be loosened in preparation for seeding and planting.

**Environmental Impacts from Alternative B: Approve the PoO with Modifications (Preferred Alternative):**

Impacts to soils would be the same as those described for Alternative A.

**Environmental Impacts from Alternative C: Reject the PoO (No Action):**

Waste rock would remain in place, overlying native soils and the waste rock would continue to provide a source of contamination for local soils.

**Cumulative Impacts:**

Forestry is the primary soil disturbing activity in the area and affects many hundreds of acres locally. This waste rock removal project is not expected to have any cumulative effect on local soils. Erosion or dust emission from compacted roads will be minimal.

**G. Vegetation:**
Affected Environment:

The predominant vegetation surrounding the project area is Douglas-fir/ninebark. Areas adjacent to the waste rock piles and access roads support Douglas-fir and a variety of shrubs including ninebark, Douglas maple, black cottonwood, serviceberry, red stem ceanothus, bitter cherry, and snowberry. Common forbs include yarrow, fireweed, silverleaf phacelia, and strawberry. There is very little vegetation on the waste rock piles. Partial reclamation has been completed on the Queen Seal mine and mill site to protect the public, limit surface and groundwater contamination and to reduce fugitive dust emission from the site. A BLM site evaluation associated with the 2002 AML work at the Queen Seal mine site found no special status plant species or communities of concern. The waste rock piles and adjacent vegetation were also surveyed in June 2006, and no Special Status plants were found. Noxious weeds and invasive species are discussed in a separate section (see paragraph H below).

Environmental Impacts from Alternative A: Approve the PoO as Submitted (Proposed Action):

Work would be completed on the waste rock area only and about ½ acre of peripheral vegetation disturbance is anticipated. This associated disturbance is expected to allow partial excavation of productive soils to supplement reclamation growth medium. The project area occurs directly adjacent to a haulage roadway so no additional disturbance associated with road construction will occur.

Environmental Impacts from Alternative B: Approve the PoO with Modifications (Preferred Alternative):

Impacts to vegetation would be the same as those described for Alternative A.

Environmental Impacts from Alternative C: Reject the PoO (No Action):

Waste rock would remain in place.

Cumulative Impacts:

Since there will be minimal vegetation disturbance associated with this proposed project, no cumulative effects are anticipated.

H. Noxious Weeds and Invasive Species:

Affected Environment:

“Noxious weed” is a legal term for any invasive plant species that has been officially designated by a federal, state, or local agency as injurious to public health, agriculture, recreation, wildlife, or property (Sheley and Petroff 1999). Noxious weeds are a concern for federal, state, and county governments because of their potential to degrade wildlife habitat, reduce plant diversity, adversely affect agricultural production, and impact management of both natural and agricultural systems. Washington Administrative Code (WAC) 16-750 contains the list of weeds required for control by the Washington State Noxious Weed Control Board (WSNWCB) as well as additional regulations pursuant to Chapter 17.10 Revised Code of Washington (RCW).
Several noxious weed species are present within the proposed project area including diffuse knapweed, houndstounge, Dalmatian toadflax, Canada thistle and St. Johnswort. Previously disturbed habitats such as the waste rock piles and roadsides are known to contain noxious weeds and may spread to nearby undisturbed areas.

Environmental Impacts from Alternative A: Approve the PoO as Submitted (Proposed Action):

For purposes of this analysis, the BLM assumes that under Alternative A, noxious weed treatments would be completed at the waste rock removal area only. The proposed treatment area does not include the entire 8.5 miles of roads between the material site and the laydown facility since these same roads are currently being used for recreation and hauling for logging. Noxious weed control along access roads directly associated with the project area would be the responsibility of MRJ. The direct and indirect impacts of weed control treatments would be largely beneficial as noxious weed populations decline. Since weed control treatments would be limited to the less than 2 acres waste rock removal area there would likely be limited damage to native and desirable vegetation due to off-target applications. Impacts to water quality from herbicide treatments should be minimal because of the distance from the project area to the nearest perennial stream. The effects of herbicides to surface water runoff will be mitigated by following the weed control SOPs, such as scheduling applications during appropriate weather and timing to avoid rainfall.

Noxious weed infestations along the perimeter of the project area and the 8.5 miles of roadsides would not be controlled and could become seed sources that may re-invade the project area as well as spread to the adjacent forested lands. The degree of soil disturbance from excavation and the frequency of haul trips would likely increase the spread and establishment of weed seeds not only within the project area but along the roadsides of the haul routes.

Environmental Impacts from Alternative B: Approve the PoO with Modifications (Preferred Alternative):

Under Alternative B noxious weed treatments should have similar impacts as described in Alternative A; however, there would be an additional acre of spot treatments within the 100 foot buffer surrounding the waste rock removal area and along the roads immediately adjacent to the project site. Noxious weed infestations along the 8.5 miles of roadsides would not be controlled and pose similar risk of establishment and spread resulting from the increased number of haul trips and disturbance.

Environmental Impacts from Alternative C: Reject the PoO (No Action):

Existing noxious weed populations would likely increase within the proposed project area as a result of ground disturbing activities and could be spread along hauling routes into uninfested areas on BLM and neighboring lands.

Cumulative Impacts:

Noxious weed populations may experience long-term cumulative impacts as ground disturbing management actions and increased trips per day along roadsides compound existing logging and recreation activities. Current roadside use and maintenance does not adequately address the control of noxious weeds along roads within the project area. Logging trucks, grading
equipment, and other vehicles have potentially been spreading weed seeds along the 8.5 mile haul route for many years. The risk of reinvasion will continue to be high unless neighboring roadside weed infestations are controlled. Weed control treatments and site reclamation will be beneficial, especially if revegetation is designed to maximize resistance to weeds.

I. **Wildlife:**

*Affected Environment:*

Habitat surrounding the project area includes montane mixed coniferous forest. Important game species that occur in this area include mule deer, Rocky Mountain elk and dusky and ruffed grouse. Moose, which is a BLM sensitive species, also occurs in this region. The following ‘birds of conservation concern’ have potential to occur in the project area based on habitat and range: Calliope hummingbird, flammulated owl, white-headed woodpecker (BLM sensitive), Lewis’ woodpecker (BLM sensitive), olive-sided flycatcher and willow flycatcher. No surveys for these have been conducted. Bat surveys of the Queen Seal Mine were conducted in 2001, 2002, 2003, and 2011. Several *Myotis* species were detected including *M. evotis*, which is a WDFW monitor species and *Corynorhinus townsendii* (Townsend’s big-eared bat), which is BLM sensitive and a WDFW species of concern.

No federally-listed species have the potential to occur in the project area. Canada lynx are associated with subalpine habitats not the mixed conifer habitat of the southern Huckleberries, and the closest lynx analysis unit (where lynx habitat has been evaluated as suitable) is the Chewelah LAU over 30 miles to the NE. Grizzly bear are not expected to occur based on the very large distance (50-100 miles) from the project area to the nearest known occupied habitat in the Selkirk Recovery Zone and the multiple highways (Hwy 395 and others), urban areas and intensively-managed private forest lands a bear would have to negotiate to get to the project area.

*Environmental Impacts from Alternative A: Approve the PoO as Submitted (Proposed Action):*

Impacts of this proposed action include 1) physical ground disturbance to <2 ac of waste rock material, 2) heavy equipment noise associated with loading waste rock and from the transport of waste rock via 40 truckloads per day for 4 months on approximately 3.8 miles of road.

No wildlife species noted above would be affected by the physical ground disturbance because the waste rock is not suitable habitat for any of these species. Noise disturbance is the main impact associated with this project. Decreased use has been reported for deer and elk for 0.25 to 0.50 miles from open roads, and songbirds may be disturbed up to 250 m (0.15 miles) from noisy roads resulting in altered bird species composition in the affected area. Over the 3.8 miles of haul road, this would result in up to 2322 ac of big game habitat and 675 ac of migratory bird habitat being disturbed and avoided. This would result in big game avoiding approximately 33% of the Huckleberry BLM parcel for the 4 month duration of the project. The impact of surface noise on bats roosting in subterranean adits of the Queen Seal Mine is not known, but not suspected to be of concern due to their nocturnal activity pattern and insulating nature of bedrock.

*Environmental Impacts from Alternative B: Approve the PoO with Modifications (Preferred Alternative):*

Impacts to wildlife would be the same as described for Alternative A.
Environmental Impacts from Alternative C: Reject the PoO (No Action):

No potential disturbance of local wildlife would occur.

Cumulative Impacts:

Noise associated with other past, present, and reasonably foreseeable projects are assumed to occur throughout the Huckleberry Mountains since most of this area is private timber land and also contains mining operations. In areas of routine and reoccurring noise, wildlife is thought to become habituated, or in the case of migratory birds their community composition altered. Temporary noise disturbance is expected to contribute to cumulative effects for a period of 4 months then return to baseline levels.

K. Transportation:

Affected Environment:

During the current proposed waste rock haulage period of early in the spring and summer, there should be minimal concurrent hauling of logs and waste rock on the same BLM roads. This is because during that time period, the proposed BLM logging is only scheduled to take place in section 1, north of the Deer Trail private parcel, not near the waste rock pile excavation.

Trucks hauling material from the waste rock excavation site would travel 2 miles on unimproved dirt BLM and private forest roads for the portion of the haul to the Deer Trail private property support area. From that location, the material would be transported over 3.2 miles of Stevens County improved gravel road and then 5 miles of a paved access road to the town of Fruitland, WA. Transportation conflict due to concentrated hauling of logs, chips and waste rock would most likely occur along the 3.2 miles of county gravel road from the Deer Trail private property to the paved county road segment. The material final laydown site situated is 2.5 miles south of Fruitland, WA on the west side of state highway 25. Local logging truck trips (10) and chip hauling truck trips (3 to 5) from adjacent lands could total 15 trips per day during the summer months with operations generally occurring between the hours of 5 AM and 1:00 PM on week days. Waste rock hauling dump truck trips will be spread throughout the day. All roads are wide enough to support the anticipated traffic.

Environmental Impacts from Alternative A: Approve the PoO as Submitted (Proposed Action):

Mining related traffic in and around the excavation area will be at a frequency of about 35 round trips per day by dump trucks and 5 round trips per day by mine operation support vehicles. Citizens band radios described in the Plan of Operations would be utilized to communicate with local logging and chipping operations (channel 20) to minimize traffic congestion and accidents in the area.

Ultimately, transport of about 40,000 tons of waste rock material, at a rate of about 500 tons per day, would occur over about a four month period until the waste rock pile was completely removed. Road surface damage may occur depending on temperature and precipitation during the haul season. Damage to the BLM road surface caused by the mining company haul will be repaired by the mining company. The mining company will communicate with the local logging contractor and concentrate waste rock haulage during the periods of least log haulage traffic.
Environmental Impacts from Alternative B: Approve the PoO with Modifications (Preferred Alternative):

To avoid traffic congestion, the operator will concentrate waste rock hauling during non-conflict hours in the afternoons and during weekends, if possible.

Environmental Impacts from Alternative C: Reject the PoO (No Action):
No additional traffic would occur on the roads accessing the proposed mining area.

Cumulative Impacts:

Local logging truck trips (10 per day) and chip hauling truck trips (3 to 5 per day) from adjacent lands could total 15 trips per day on a portion of the same roads used by trucks from the proposed mining operations during the summer months. Mining related traffic around the excavation will be at a frequency of about 35 round trips per day for dump trucks and 5 round trips per day for support vehicles. A total of 40 round trips/day on single lane roads with turnouts is anticipated. Total trips of mine and log vehicle would be approximately 55 per day on two way gravel and paved roads. This cumulative effect will generally occur between the hours of 5 AM and 1:00 PM on week days when logging haul trips are at their maximum. The mining company will communicate with the local logging contractor and concentrate waste rock haulage during the periods of least log haulage traffic. This action will spread out the total truck trips through the daylight hours and decrease traffic congestion by roughly half.

L. Socio-economic:
M. Affected Environment:

U.S. Census Bureau data on the website located at: http://quickfacts.census.gov/qfd/states/27/27149.html, shows Stevens County median household income for 2009 to be $53,889. Information presented in a project supportive letter from the Board of County Commissioners of Stevens County shows a current unemployment rate of 14.5% in Stevens County. Personal income in Stevens County in 2009 averaged $22,698. Mining related jobs such as equipment operation and heavy truck driving average $46,000, $37,000 per year respectively (Monster, 2007).

Environmental Impacts from Alternative A: Approve the PoO as Submitted (Proposed Action):
The current proposed waste rock excavation project is anticipated to provide about 20 mining and trucking related jobs in Stevens County, WA, during the four-month period of operations. These jobs average about $40,000/year per employee. These jobs would be available to local residents of Stevens County and the surrounding area. In addition, economic ripple effects to service these new jobs (restaurants, stores, schools, etc.) will spread out into the local community increasing the number of service and support job opportunities. This proposed removal action would ensure mineral development opportunity for MRJ Resources; removal of a potential source of heavy metal contamination from BLM administered property, and an economic boost to Stevens County.

Environmental Impacts from Alternative B: Approve the PoO with Modifications (Preferred Alternative): Socio-economic impacts would be the same as those described for Alternative A.
Environmental Impacts from Alternative C: Reject the PoO (No Action):
No job opportunities would be created by this mineral development proposal.

Cumulative Impacts:
Failure to authorize this proposed action would eliminate the potential mining jobs directly associated with the excavation, hauling, processing, and shipping of the waste rock and reduce potential for many support job opportunities in the local community. Approval of this waste rock removal project will increase local employment opportunities and increase associated tax base revenues. It is estimated that this activity could generate $200,000 in direct mining wages for the local community.

D. Mitigation Measures
Mitigation measures are incorporated into the mining and reclamation plan as described in the Proposed Action.

V. Consultation and Coordination

A. Individuals and Organizations Consulted:

- Washington State Department of Archaeology and Historic Preservation
- Spokane Tribe of Indians

B. Databases Consulted:
The following databases were used to review the subject area for known cultural resources and threatened and endangered (T&E) plant and animal species at or near the project area.

- State of Washington-Department of Fish and Wildlife Priority habitat and Species Database.
- State of Washington-Department of Natural Resources-Washington Natural Heritage Plant Database.
- State of Washington-Office of Archaeology and Historical Preservation Site Database.
- Bureau of Land Management Resources Inventory Database and other records.

VI. List of Preparers
The following personnel were involved in the field evaluation of this parcel:

BLM Representatives
Anne Boyd - Border Field Office Archaeologist
Steve Smith - Spokane District Recreation Specialist
Barb Benner - Border Field Office Botanist
Al Gardner - Border Field Office Forester
Kerrin Doloughan - Border Field Office Range Specialist
Scott Pavey - Spokane District Environmental Coordinator
Thomas Sweeney - Border Field Office Geologist
Jason Lowe - Border Field Office Biologist
VII. References


County Commissioners for Stevens County, WA

VIII. Attachments:

Attachment 1: General Location map of the proposed Queen Seal mine waste rock and proposed transportation route.

Attachment 2: Aerial photograph Imagery of the Queen Seal mine waste rock site

Attachment 3: Master Title Plat of the Stevens County waste rock area showing ownership

Attachment 4: Photograph of proposed Queen Seal mine waste rock area.
Attachment 1: General Location map of the proposed Queen Seal mine waste rock and proposed transportation route.
Attachment 2: Aerial photograph imagery of the Queen Seal mine waste rock site.
Attachment 3: Master Title Plat of the Stevens County waste rock area showing ownership.
Attachment 4: Photographs of proposed Queen Seal mine waste rock area.
PLAN OF OPERATIONS/RECLAMATION FOR QUEEN SEAL MINE WASTE ROCK REMOVAL

Mineral Case File WAOR 62891

Applicant Information: MRJ Resources, LLC

Site Name: Queen Seal Mine Waste Rock Dump

Site Type: Mining Claim

Operator: MRJ Resources, LLC

Operator Address: 4985 Highway 25 South
P.O. Box 10
Hunters, WA  99137

Tax-Payer ID. No. 45-3178904

Project Name: Queen Seal 1 Waste Rock Recovery

Associated Mining Claim Numbers: ORMC # 167970

BLM Serial No.: WAOR 62891

Location of Claim: Township 29 North, Range 37 East, Section11, Center, WM

Individual Completing Application: Michael D. Inman, Principal

Business Address Of Individual Completing Application: 4987 Highway 25 South
P.O. Box 10
Hunters, WA  99137
(509) 722-6394 home
(509) 722-3631 work
(509) 680-3956 cell
**Background:**

Southern Stevens County, WA (Attachment 1) has been struggling for years due to the lack of quality jobs. The mineral and timber industries have been especially hard hit. In the last several years metallic minerals are a commodity that has increased in value. The market for these minerals is now at a point where it is economically feasible to collect the associated waste rock from previous mining operations and process it to recover the contained metals for profit. Each of the activities associated with this recovery process (e.g. mining, transportation, processing, equipment maintenance, supply, etc.) in turn generate numerous jobs within the local community. This activity increases the buying power of the local residents and improves the tax base for the local municipalities.

MRJ Resources, LLC (MRJ) is a minerals company working in the Deer Trail District in Stevens County. MRJ has several locations under both simple fee and BLM unpatented mining claims (Attachment 2). Several of these claim areas have large stockpiles of waste rock left over from previous mining operations. MRJ has explored and sampled many of these sites and found them to contain considerable metallic mineral value (Attachment 3). MRJ is now ready to move from the exploration phase of our activities and go directly into the production phase from these claim sites.

MRJ has acquired a private 28 acre land parcel located at 5502 HWY 25 South, Fruitland Washington 99129. We have also acquired full county approval as Oct. 29 2011, for this parcel to be operated as a lay down and transport facility. The proposed site will have truck scales and a maintenance / administration outbuilding. Future plans are for a waste rock processing facility within the next five years. This enterprise is anticipated to generate numerous local skilled and unskilled jobs that will greatly benefit the local communities of Fruitland and Hunters and in turn, Stevens County.

If this Plan of Operations is approved, and within the next three months, at least 10 local machine operator and truck driving jobs will be created. In addition, several long haul contracted truck driving opportunities will be filled.
to service the coming contracts that MRJ has acquired. These contracts are for both foreign and domestic shipping of the subject waste rock to various processing facilities. MRJ Principals have a cumulative total of 75 years of experience in mineral and timber industries making the transition to waste rock removal and reclamation a logical progression. MRJ has on staff certified CESEL leads with years of experience in environmental cleanup, erosion control and hazmat cleanup. These professionals have the knowledge and experience required to understand and perform the tasks required in the areas of waste rock removal and reclamation, while protecting the federal land from unnecessary and undue degradation.

This plan of operations/reclamation describes the proposed activities that MRJ intends to use to remove the potentially contaminated waste rock from the federal land and to reclamation the previously disturbed site. The waste rock removal from federal land situated in the Deer Trail Mining District is expected to have minimum impacts on the environment. At the same time, the project is anticipated to result in very positive economic benefits for the citizens of southern Stevens County, WA. MRJ assumes all responsibility and liability for materials removed from the Federal land. No material will be returned to or placed on BLM administered property.

**Operation Plan:**

**Introduction**

This plan includes removal of economic metallic mineral bearing rock from the Queen Seal shaft area waste rock pile, transport of that material off of the BLM, and reclamation of the site of extraction (Attachments 4 and 5).

Exploration and assessment work has been completed by MRJ and it has found significant value in waste rock situated at old mining sites discarded from previous mining operations. Testing results on the waste rock piles left from previous mining indicates that there is potential for natural leaching of this waste rock. If this occurs, heavy metal contaminates or acid rock drainage (ARD) could migrate out of the waste rock material and into the surrounding surface and ground water systems. This could potentially have an adverse effect on humans and wildlife visiting or living in the areas surrounding the waste rock dumps.

**Description of Proposed Operation**
MRJ will obtain all applicable Federal (Mine Safety and Health Administration), State and local permits which apply to any aspect of this proposed operation and provide a copy of those permits to BLM.

All available soil will be stockpiled prior to waste rock removal for use in later site reclamation. The previously mined waste rock will be removed using a Large, low ground impact tracked excavator. The waste rock material will be loaded into 5 yard off-road dump trucks and hauled 8.5 miles down over existing roads to the dedicated laydown facility situated near Hunters, WA. The operation will use rubber tired, on-road dump trucks for summer hauling when weather and road conditions are good. During the winter snow season when weather and road conditions are poor, low impact rubber tracked dump trucks would perform the upper portion of the haul from the Queen Seal mine to the lower elevation Deer Trail private mine site. The material would then be transferred to the on-road rubber tired dump trucks for the duration of the haul to the laydown yard near Hunters, WA for shipment. MRJ has already secured the laydown facility and has contracts with milling facilities to process this waste rock material.

All portions of the operation site situated on federal land shall be performed using best management practices designed by Washington State Department of Ecology (DOE) for Erosion Control and monitored by an onsite CESEL lead. An environmental professional would be on site during daytime operations and on call 24 hours a day during removal.

Silt fence will be installed along the operations boundary in the down gradient direction from the waste rock removal. Mining will be done to create a centralized drainage pattern at the removal site in order to minimize runoff. Haul roads and logging roads already exist to the site and only minor grading to remove potholes will be required. During the winter months the roads will need very little upkeep to maintain due to the frozen surface and snow cover. MRJ will grade and repair all roads that are impacted by the mining related equipment used to extract or haul the waste rock, if needed or directed by BLM. The time line to remove the waste rock shall be about 3 months, beginning as soon as possible and continuing through the winter months. Waste rock haulage schedule will be accomplished by 4 dump trucks completing ten round trips daily to the laydown area near Hunters, WA. This will create a haul cycle of 40 round trips total per day. MRJ also anticipates about 5 trips of private vehicles 7 days a week from 7:00am-5:00pm.
Spill Prevention
All fueling and lubrication of machines will be done over leak-proof containment liners or vessels designed to prevent any spill contamination of hydrocarbons or chemicals onto the ground surface. These containments must have at least twice the storage capacity necessary to contain the fluids being transferred to or from the machines. Spill control kits containing sufficient, appropriate absorbent materials to contain reasonably anticipated spill volumes shall be available at all locations in the operation. All fluid transfer operations shall be done only by a qualified person or operator. Any spill shall be immediately reported to the BLM authorized officer for consultation and appropriate action.

Dust Control
During the proposed operation, dust should be minimal due to the frozen ground and snow cover on the site and roads. Water will be available to control dust with a water truck if needed. Currently there are 60 trips a day being completed by Chip Trucks hauling product off of BLM. MRJ proposes to travel on the same roads with little or no impact. This is anticipated due to the fact that the dump trucks have considerably less footprint on the existing roads than do the larger, heavier chip trucks.

Fugitive dust from the excavation activities is anticipated to be minimal due to snow cover and other precipitation falling on the site. MRJ will controlled any problem dusts with water truck and sprays if needed. Bathroom facilities shall be portable and meet all state and county requirements. Toilets will be cleaned by a third party contractor who is licensed in the State of Washington. Porta-Potties shall be located not more than 200 yards from any of the work site area. Sanitizing hand cleaner will be provided.

Safety
A written safety plan for the operation will be posted at the work site. A First Aid, CPR trained person will be onsite at all times during the operation. A minimum of two persons shall be at the present at the site during all mining operations. First aid kits will be carried at all times in all equipment and vehicles.

The written safety plan will contain contact information for the nearest hospital which is Lincoln Hospital, located in Davenport, WA. The
emergency telephone number for this hospital is **1-509-725-7100**. Emergency telephone numbers to first responders are **911 or 509-722-3100**. The **Northwest MedStar helicopter** emergency medical transport telephone number is **1-509-536-5462**. Latitude/longitude coordinates for a pre-cleared helicopter landing facility are: **48.0253 N/118.1206 W** (Attachment 3). A pre-operational contact will be made by MRJ with Northwest Medstar prior to beginning mining and trucking operations. This contact is intended to provide the transport team with information for an MRJ contact person, the general location of the proposed mining operation and the coordinates and description of the designated landing site (helipad).

Safety training meetings will be at the start of every workday or shift with weekly training by safety officer in different subjects based on Labor and Industry requirements.

**Access**
Recreation in the area of this operation will be limited but not restricted. Travel through the BLM road system will be unimpeded with sufficient warning signs and markers in all areas to alert the public of the mining operation and resulting haulage traffic. The actual waste rock removal site will be restricted from recreational entry to protect the public. All other portions of the public lands will remain open to public entry unless a safety hazard can be demonstrated by MRJ and concurred with by BLM.

Due to the remote area this proposed action is situated in, MRJ anticipates minimal to no impacts on the public. No homes are located within 4 miles and no community centers or public parks within 5 miles of this proposed operation.

**Roadways**
All haulage routes will be clearly marked with signs to inform other vehicle operators that CB radios operating on channel 20 are the communications used by the haul trucks and mine related vehicles. Haul trucks and mining related vehicles will operate at speeds and conditions which allow them to stop in time to avoid collision with all other vehicles encountered on the roadway, whether those vehicles are equipped with CB radio communications or not. Waste rock haul truck drivers will communicate with log haul truck drivers to coordinate their positions and hauling times during the day in order to minimize traffic on the haul roads. Waste and log truck drivers will communicate with each other identify the locations of private vehicles which
might also be using the roadway. The mining company agrees to communicate with the local logging contractor and concentrate waste rock haulage during the periods of least log haulage traffic. No waste rock haulage from the Queen Seal mine waste rock dump is allowed during the period of October 10th through November 6th. This safety closure is required to avoid conflict with recreation associated with local modern firearm seasons for deer (October 13 – 26 & November 10 - 19) or elk (October 27 – November 4).

RECLAMATION:

Site Reclamation
Reclamation of site after waste rock removal has been completed will be done by a bulldozer which will contour the ground surface and place existing stockpiled topsoil (as available) on all disturbed areas. Native grasses will be seeded on the site during the winter snow months using grass mixtures and timing as directed by BLM specialists. Evergreen and deciduous trees similar to existing trees in the surrounding forested areas will be planted in the spring under BLM specialist direction. Silt fences will remain in place until BLM designates that sufficient vegetation has been established to control erosion and the site is deemed stable by the BLM. Weeds will be controlled on site using BLM approved chemical applications. Approximately less than 2 acres would be treated within the waste rock removal area. The threshold to implement treatments would be based on observations of weed infestations from both monthly monitoring by MRJ and annual inspections by BLM staff. Monitoring and treatment of noxious weeds shall continue for at least 3 years following the final reclamation.

Monitoring
The site will be monitored by MRJ for vegetation regrowth, erosion or adverse impacts on a monthly basis, except in the winter months, for a period of about three years. MRJ will immediately notify BLM of any problems related to the site monitoring. BLM will inspect the site on a yearly basis and notify MRJ when the site has been sufficiently reclaimed.

Bonding
The cost of reclamation of the disturbed area is estimated to cost $5,000.00 and shall be provided in an acceptable form to BLM by MRJ prior to being authorized to begin operations. Bonds will be released only after the
reclamation has been completed to BLM standards and vegetation has been established on the disturbed site for at least two growing seasons. Road restoration shall be minimal due to the existence of all the roads that are already in place so no Reclamation of roads is proposed at this time. MRJ shall be responsible for any reclamation costs which are attributed to this project and exceed the initial bonding amount.

**Individuals and organizations Consulted:**
Thomas Sweeney - Licensed Professional Geologist BLM
Scott Pavey - Acting Border Field Area Manager
Don Dashiell - South Stevens County Commissioner (Attachment 6)
Erik Johansen - Director Stevens County Land Services
Jenni Anderson Planner Stevens County Land Services
Norm Olson - P.E. N.L. Olson and Associates Civil, structural, land use
EPA
DNR
DOE
Stevens County Fire District 2
Avista Utilities
Hunter’s, WA - Chamber of Commerce
Stevens County Title and Escrow
Cedar Canyon Mining Corporation
P. Reed - Reed Laboratories
Andrew Shaw - CSAL

**REFERENCES:**
Bulletin No. 20 Washington Geological Survey
Mineral Resources of Stevens County
Reed Laboratories
Copper State Analytical Lab (CSAL)
Nespelem Washington BLM maps
EPA Study on Deer Trail Mine
DNR Abandoned or Inactive mine study by Dr. Wolfe
Acknowledged - Notice of operations currently in use by MRJ

**ATTACHMENTS:**
Attachment 1 – General Map of Southern Stevens County Area Showing Location of Project
Attachment 2 – General Site Location Map Showing Claim Location,
Orientation and Land and Mineral Estate Ownership
Attachment 3 – Analytical results (CSAL Analytical and Reed Laboratories) of Waste Rock Samples Taken at the Queen Seal Waste Rock Dump
Attachment 4 – Detailed Site Map Showing Waste Rock Removal areas, roads and Support Areas
Attachment 5 – Photographs of Queen Seal Mine Waste Rock Removal Area
Attachment 6 – Copy of the Stevens County Commissioners Letter Supporting the Proposed Queen Seal Mine Waste Rock Removal and Processing Project
Figure 1. General map of southern Stevens County area showing location of project.
Figure 2. General site location map showing claim location, orientation and land and mineral estate ownership.
Figure 3. Analytical results (CSAL Analytical and Reed Laboratories) of waste rock samples taken at the Queen Seal waste rock dump.

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<td>11</td>
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</tr>
<tr>
<td>Lead</td>
<td>ppm</td>
<td>6775</td>
<td></td>
</tr>
<tr>
<td>Antimony</td>
<td>ppm</td>
<td>235</td>
<td></td>
</tr>
<tr>
<td>Selenium</td>
<td>ppm</td>
<td>&lt;1</td>
<td></td>
</tr>
<tr>
<td>Tin</td>
<td>ppm</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Strontium</td>
<td>ppm</td>
<td>215</td>
<td></td>
</tr>
<tr>
<td>Tantalum</td>
<td>ppm</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Tellurium</td>
<td>ppm</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Thorium</td>
<td>ppm</td>
<td>&lt;5</td>
<td></td>
</tr>
<tr>
<td>Titanium</td>
<td>ppm</td>
<td>295</td>
<td></td>
</tr>
<tr>
<td>Thallium</td>
<td>ppm</td>
<td>&lt;5</td>
<td></td>
</tr>
<tr>
<td>Uranium</td>
<td>ppm</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Vanadium</td>
<td>ppm</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>Tungsten</td>
<td>ppm</td>
<td>&lt;5</td>
<td></td>
</tr>
<tr>
<td>Zinc</td>
<td>ppm</td>
<td>9680</td>
<td></td>
</tr>
</tbody>
</table>

Key: ppm = Parts Per Million  % = Percent

ICPs was digested using three acids Nitric, Hydrochloric and Hydrofluoric acids
## X-RAY SPECTROMETER ANALYSIS

<table>
<thead>
<tr>
<th>Element</th>
<th>Percent</th>
<th>Lbs/Ton</th>
<th>Em% Avg</th>
<th>Element</th>
<th>Percent</th>
<th>Lbs/Ton</th>
<th>Em% Avg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aluminum*</td>
<td>1.75</td>
<td>35.0</td>
<td>6.30%</td>
<td>Mercury</td>
<td>nd</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Antimony</td>
<td>0.0078</td>
<td>0.156</td>
<td>0.0093%</td>
<td>Molybdenum</td>
<td>0.821</td>
<td>1.642</td>
<td>0.015%</td>
</tr>
<tr>
<td>Arsenic</td>
<td>0.00063</td>
<td>0.0126</td>
<td>0.0007%</td>
<td>Neodymium</td>
<td>0.0014</td>
<td>0.025</td>
<td>0.0028%</td>
</tr>
<tr>
<td>Barium</td>
<td>0.0312</td>
<td>0.624</td>
<td>0.04%</td>
<td>Nickel</td>
<td>0.0038</td>
<td>0.076</td>
<td>0.000%</td>
</tr>
<tr>
<td>Beryllium*</td>
<td>0.0005%</td>
<td>0.0005%</td>
<td>0.0005%</td>
<td>Phosphorus</td>
<td>8.80</td>
<td>176.0</td>
<td>0.3%</td>
</tr>
<tr>
<td>Bismuth</td>
<td>nd</td>
<td>0.0002%</td>
<td>0.0002%</td>
<td>Potassium</td>
<td>0.06</td>
<td>1.2</td>
<td>1.0%</td>
</tr>
<tr>
<td>Cadmium</td>
<td>0.035</td>
<td>0.07</td>
<td>0.0091%</td>
<td>Prasedymium</td>
<td>0.013</td>
<td>0.026</td>
<td>0.0082%</td>
</tr>
<tr>
<td>Calcium</td>
<td>11.84</td>
<td>256.8</td>
<td>4.76%</td>
<td>Rhenium</td>
<td>nd</td>
<td>0.000007%</td>
<td></td>
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<tr>
<td>Cerium</td>
<td>0.00012</td>
<td>0.0024</td>
<td>0.0008%</td>
<td>Rubidium</td>
<td>0.0042</td>
<td>0.0084</td>
<td>0.003%</td>
</tr>
<tr>
<td>Cesium</td>
<td>0.0333</td>
<td>0.666</td>
<td>0.0041%</td>
<td>Samarium</td>
<td>nd</td>
<td>0.0000007%</td>
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</tr>
<tr>
<td>Chromium</td>
<td>0.018</td>
<td>0.036</td>
<td>0.0010%</td>
<td>Scandium</td>
<td>0.0064</td>
<td>0.128</td>
<td>0.0025%</td>
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<tr>
<td>Cobalt</td>
<td>0.0091</td>
<td>0.0182</td>
<td>0.007%</td>
<td>Selenium</td>
<td>nd</td>
<td>0.00001%</td>
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</tr>
<tr>
<td>Cokolumbium</td>
<td>0.0015</td>
<td>0.03</td>
<td>0.0004%</td>
<td>Sodium</td>
<td>0.141</td>
<td>2.82</td>
<td>2.00%</td>
</tr>
<tr>
<td>Copper</td>
<td>0.00012</td>
<td>0.0026</td>
<td>0.0002%</td>
<td>Strontium</td>
<td>0.0396</td>
<td>0.792</td>
<td>0.038%</td>
</tr>
<tr>
<td>Dysprosum</td>
<td>0.033</td>
<td>0.067</td>
<td>0.0033%</td>
<td>Sulfur</td>
<td>nd</td>
<td>0.000001%</td>
<td></td>
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<tr>
<td>Erbium</td>
<td>0.00013</td>
<td>0.0026</td>
<td>0.0002%</td>
<td>Tantalum</td>
<td>nd</td>
<td>0.0001%</td>
<td></td>
</tr>
<tr>
<td>Eurosium*</td>
<td>0.00008</td>
<td>0.0016</td>
<td>0.00012%</td>
<td>Tellurium</td>
<td>0.0061</td>
<td>0.122</td>
<td>0.000001%</td>
</tr>
<tr>
<td>Fluorine*</td>
<td>0.0091</td>
<td>0.0182</td>
<td>0.007%</td>
<td>Terbium</td>
<td>nd</td>
<td>0.000009%</td>
<td></td>
</tr>
<tr>
<td>Gadolinium</td>
<td>0.0004%</td>
<td>0.0004%</td>
<td>0.0004%</td>
<td>Thallium</td>
<td>nd</td>
<td>0.0004%</td>
<td></td>
</tr>
<tr>
<td>Germanium</td>
<td>0.00023</td>
<td>0.0046</td>
<td>0.0015%</td>
<td>Thulium</td>
<td>0.00002</td>
<td>0.0004</td>
<td>0.00005%</td>
</tr>
<tr>
<td>Hafnium</td>
<td>0.00012</td>
<td>0.0024</td>
<td>0.0002%</td>
<td>Tin</td>
<td>0.0022</td>
<td>0.044</td>
<td>0.03%</td>
</tr>
<tr>
<td>Holmium</td>
<td>0.00043</td>
<td>0.0086</td>
<td>0.0012%</td>
<td>Titanium</td>
<td>0.04</td>
<td>0.8</td>
<td>0.00%</td>
</tr>
<tr>
<td>Indium</td>
<td>0.0091%</td>
<td>0.0091%</td>
<td>0.0091%</td>
<td>Thorium</td>
<td>0.0014</td>
<td>0.028</td>
<td>0.0013%</td>
</tr>
<tr>
<td>Iron</td>
<td>nd</td>
<td>0.00024</td>
<td>0.00024%</td>
<td>Tungsten</td>
<td>nd</td>
<td>0.0022%</td>
<td></td>
</tr>
<tr>
<td>Lanthanum</td>
<td>0.0001</td>
<td>0.0001</td>
<td>0.0001%</td>
<td>Uranium</td>
<td>nd</td>
<td>0.00024%</td>
<td></td>
</tr>
<tr>
<td>Lead</td>
<td>0.00013</td>
<td>0.0026</td>
<td>0.00016%</td>
<td>Vanadium</td>
<td>0.0011</td>
<td>0.022</td>
<td>0.01%</td>
</tr>
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<td>Lithium*</td>
<td>0.0014</td>
<td>0.0028</td>
<td>0.0005%</td>
<td>Ytterbium</td>
<td>nd</td>
<td>0.0003%</td>
<td></td>
</tr>
<tr>
<td>Lutetium</td>
<td>nd</td>
<td>0.0005%</td>
<td>0.0005%</td>
<td>Zinc</td>
<td>2.613</td>
<td>5.226</td>
<td>0.007%</td>
</tr>
<tr>
<td>Magnesium</td>
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<td>150.6</td>
<td>2.00%</td>
<td>Zirconium</td>
<td>0.0069</td>
<td>0.138</td>
<td>0.0175%</td>
</tr>
<tr>
<td>Manganese</td>
<td>0.0562</td>
<td>1.124</td>
<td>0.01%</td>
<td>Remainder: SO2 + Water + Gases + Other</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sample Gamma radiation: 0.61 mR/hr. Radiation is: [ ] Typical and normal [ ] Elevated, avoid dust inhalation.

Nd = None detected in sample. Lbs/Ton = amount of element per 2,000 lbs of sample.

* Change percent into parts per million: Move decimal 4 places to the right. Example: 0.02% = 20 ppm.

Earth Avg. = Estimated average for Earth's crust and typical values that are not measurable.

Lower reporting limit: 10 ppm, except F: 0.1%; semiquantitative for amounts below limit,

Upper reporting limit: 70% except Fe: 80%. Gamma radiation reported is peak value during 15 second period.

Report data was derived from 4.8 gram subsample for X-ray Spectrometer, except * 0.1 gram subsample for Emission Spectrometer.

This first party report is preliminary data for prospecting and exploration use, not a final evaluation of a mineral deposit, and is not assurance of extractability, reproducibility, profitability, future results or investment safety; Assayer makes no express or implied representation about such matters. Sample submission constitutes an irrevocable agreement that Assayer is not responsible for "sancal loss. Assayer's total liability for all other loss is limited to twenty dollars per sample, with report user to assume all other risks and liabilities. Data are void if this report is used improperly or unlawfully. The results of this assay were based solely on the content of the sample submitted by the client. Any decision to invest should be made only after the potential investment value of the claim or deposit has been determined based on the results of assays of multiple samples of geologic materials collected by the prospective investor or by a qualified person selected by the investor based on an evaluation of all engineering data which is available concerning any proposed project.

[Signature] Assayer
Figure 4. Detailed site map showing waste rock removal, roads and support areas.
Figure 5. Photographs of Queen Seal mine waste rock removal area. (Photos from previous site reclamation work done by BLM in 2002)
Figure 6. Copy of the Stevens County Commissioners letter supporting the proposed Queen Seal mine waste rock removal and processing project.

November 1, 2011

Bureau of Land Management/Spokane District
Attn: J. Scott Pavey, Action Field Manager & Michael Sweeney, Engineering Geologist
1103 N. Fancher Road
Spokane, WA 99212

Subject: Queen Seal Project in the Deer Trail Mining District

Dear Mr. Pavey and Mr. Sweeney:

The Board of Stevens County Commissioners is encouraged by, and fully supportive of MRJ Resources’ plans to remove rock waste from previous mining operations and reclaim mining sites in Stevens County. With nearly 14.5% unemployment, Stevens County sees business investment and opportunities for family wage jobs. Not only does MRJ Resources plan to create twenty new jobs, but many more ancillary jobs in the construction and trucking industry will ensue.

We would appreciate your timely consideration of the Queen Seal Project and any assistance you can lend in moving the project forward.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
OF STEVENS COUNTY, WASHINGTON

Chairman Larry Guenther

Commissioner Malcolm Friedman

Commissioner Don Dashiel

BCC: Shelly Short
Representative Joel Kretz
Congresswoman Cathy McMorris Rodgers
Reference

EA Number: DOI-BLM-OR-135-2012-EA-0005
Title of Action: Michael Inman – Queen Seal Mine Waste Rock Removal (PoO) Approval

Decision

It is my decision to authorize the proposed Plan of Operations (PoO), with stipulations, for Michael Inman (MRJ Resources) to remove mine shaft waste rock from the dump located on the Federal parcel in the center of section 11, T. 29 N., R. 37 E. WM (Alternative B of the above referenced EA). All stipulations, which were identified as design features are attached to this decision record.

Summary of the Proposed Action

This action includes the removal of about 40,000 tons of mine shaft waste rock which is currently situated on the surface; adjacent to the upper backfilled mine shaft of the Queen Seal mine. The unconsolidated material will be mined by excavators and loaders, placed in dump trucks and removed from Federal property for processing at a private property location. Material transported by dump trucks will be over existing BLM and county roads which do not require any modification or right-of-way designation. No processing will be carried out on Federal land. This operation is intended to supply feed materials for mineral processing mills and to remove waste rock from and remediate the Federal lands. This phase of the operation should take about four months to complete and initially reclaim the site.

Public Involvement

Development of this project began with a Plan of Operations from Mr. Michael Inman. An EA was completed for the proposed project through the National Environmental Policy Act (NEPA) process. The BLM completed public scoping through a public mailing, soliciting comments, to nearly 200 potentially interested parties. The proposal was also published in the local newspaper. The BLM received no responses.

Rationale for my Decision
I have reviewed the information in the EA and PoO. The EA and the PoO are consistent with the Spokane District Resource Management Plan regarding developing and selling of salable mineral resources. No impacts were identified in the EA or PoO that cannot be adequately mitigated by the specified stipulations. Hence there is not rationale for, rejection of the proposed PoO. This action will provide legitimate access to minerals within the waste rock of a valid lode mining claim.

The General Mining Law of 1872, gives to the locators and owners of mining claims, as a necessary incident, the right of ingress and egress across public lands to their claims for the purposes of maintaining the claims and as a means toward removing the minerals.

Section 302 of the Federal Land Policy and Management Act of 1976 directs the Secretary of the Interior to manage public lands under the principles of multiple uses. Minerals are specifically identified as one of these multiple uses in the Act.

**Appeals**

If you do not agree and are adversely affected by this decision, in accordance with 43 CFR § 3809.804, you may request that the BLM Oregon/Washington State Director review this decision. If you request a State Director review, the request must be received in the BLM OR/WA State Office (see address below), no later than 30 calendar days after you receive this decision. A copy of the request must also be sent to this office (BLM Border Field Office (see address below). The request must be in accordance with the provisions provided in 43 CFR § 3809.805. If a State Director review is requested, this decision will remain in effect while the State Director review is pending, unless a stay is requested and the State Director grants it.

A request for State Director Review must be sent to:

Bureau of Land Management  
OR/WA State Office  
ATTN: State Director  
333 S.W. 1st. Avenue  
Portland, OR 97204

And:

Bureau of Land Management  
Border Field Office  
ATTN: Field Manager  
1103 N. Fancher Rd.  
Spokane, WA 99212

If you wish to bypass the State Director review, this decision may be appealed directly to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR § Part 4. If an appeal is taken, your notice of appeal must be filed in this office (Bureau of Land Management, Border Field Office (see
address above) within 30 days from receipt of this decision. The appellant has the burden of showing that the appealed decision is in error.

You must also send a copy of your notice of appeal to:

Regional Solicitor Pacific Northwest Region
U.S. Department of the Interior
500 N.E. Multnomah St., Suite 607
Portland, OR 97233

In accordance with 43 CFR § 3809.803, this decision will go into effect immediately and remain in effect while appeals are pending before OHA unless OHA grants a stay under §4.21(b) of this title. If you wish to file a petition pursuant to regulations 43 CFR § 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a stay also must be submitted to each party named in the decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR § 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

**Standards for Obtaining a Stay**

Pursuant to 43 CFR 4.21, if you wish to file a petition for a stay of the effectiveness of this decision, during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. Copies of the notice of appeal and petition for a stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the Office of the Solicitor (see 43 CFR § 4.413), at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.
Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

1. The relative harm to the parties if the stay is granted or denied.
2. The likelihood of the appellant’s success on the merits.
3. The likelihood of immediate and irreparable harm if the stay is not granted.
4. Whether or not the public interest favors granting the stay.

/S/ Linda A. Clark  May 24, 2012

________________________  __________

Linda A. Clark  Date

Field Manager
Finding of No Significant Impact (FONSI) for the Queen Seal Mine Waste Rock Removal


Based on the effects discussed in the associated Environmental Assessment, I have determined that the Preferred Alternative (Alternative B) is not a major federal action which would significantly affect the quality of the human environment, individually or cumulatively with other actions in the general area. None of the environmental effects identified meet the definition of significance in context or intensity as defined in 40 CFR 1508.27. Therefore, an environmental impact statement is not necessary and will not be prepared.

This Finding of No Significant Impact (FONSI) is based on a review of the following Council of Environmental Quality (CEQ) criteria, consistent with 40 CFR 1508.27. Pursuant to 40 CFR 1508.13 and 1508.27, the potential “significance” of all reasonable alternatives has been evaluated. I have concluded that there will be no significant effect on the human environment (including the natural and physical environment and the relationship of people with that environment). No significant irreversible or irretrievable resource commitments have been made, and long-term productivity has not been sacrificed in order to meet the project objectives. This determination is based on Context and Intensity, defined and examined below.

Context: This means that the significance of an action must be analyzed in several contexts such as society as a whole (human, national), the affected region, the affected interests, and the locality. Significance varies with the setting of the proposed action. For instance, in the case of a site-specific action, significance would usually depend upon the effects in the locale rather than in the world as a whole. Both short- and long-term effects are relevant. The disclosure of effects in the EA found the actions to be limited in context. Because the project area is limited in size, the proposed activities are limited in duration, and the effects are local in nature, this alternative’s effects are not likely to significantly affect regional or national resources.
Intensity: This refers to the severity of impact. Responsible officials must bear in mind that more than one agency may make decisions about partial aspects of a major action. The following ten factors have been considered in evaluating the intensity of this action:

1. Beneficial, adverse, direct, indirect, and cumulative environmental impacts discussed in the EA have been disclosed. The physical and biological effects are limited to the site of the proposed action and adjacent federal lands.
   
   Rationale: Ground work is sufficiently far enough from any creek or river, that it does not pose any threat to local or regional water quality, and neither will it cause damage to wildlife or vegetation. The proposed waste rock removal site is situated directly adjacent to an idle mining operation in the southern Huckleberry Mountains, Stevens County, WA. and will not significantly affect the surrounding environment. Air quality will be monitored by the Washington Stated Department of Ecology, the operator is required to comply with all applicable environmental requirements.

2. Public health and safety would not be adversely impacted.
   
   Rationale: Removing this mine waste rock from the public land and reclaiming the site would improve the quality of the public land in this area. During the operation, access to the site would be controlled by fences and signage to protect the public safety. Reclamation would be subsequent to mining and would include replanting the area with grasses and native species, temporary irrigation and improved wildlife habitat. Public health and safety hazards will be removed and the terrain and environment improved to enhance public safety.

3. There would be no adverse impacts to areas with unique characteristics or areas of critical environmental concern.
   
   Rationale: There are no areas with these designations near the proposed waste rock removal project. Preplanning the mining process potential disturbance and proposed reclamation allow thoughtful, environmentally sound use of this waste rock resource. In addition, final reclamation will establish a local natural wildlife environment. There would be no long term negative impacts from this proposed project.

4. No concerns were received by BLM as a result of publication and mailings of this proposal during the scoping process. No highly controversial effects on the adjacent properties or environment are expected to occur.
   
   Rationale: The proposed waste rock removal EA and Plan of Operations/Reclamation are sufficient to address, development concerns of this proposed operation.

5. There are no known effects that are highly uncertain or involve unique or of unknown risk.
   
   Rationale: No effects that are highly uncertain or involve unique or unknown risk were identified by the public, Tribes or the BLM Interdisciplinary team.

6. This alternative does not set a precedent for other projects that may be implemented in the future.
Rationale: Each proposed exploration and mining project notices or plans of operation are individually designed to meet community need, site conditions, applicable law and regulation and public safety. Monitoring during the operation will document compliance; sufficient bonding provides insurance that the site will be reclaimed to agreed-upon standards or that funds will be available for that effort in the event of a default.

7. This alternative is not related to any other existing or anticipated actions with cumulatively significant impacts.

Rationale: The EA analysis indicates that while there are some cumulative effects for this project (i.e. road traffic), the nature of the area, individual contribution of this project and the relationship of the projects to each other does not make them significant.

8. Based on previous and ongoing cultural resource surveys, and through required mitigation, no adverse impacts to cultural resources were identified or anticipated.

Rationale: During development of the EA for this project the site was surveyed by BLM archeologists, BLM consulted with The Washington Department of Archaeology and Historic Preservation, who concurred that the project will have no effect on historic properties. No comments were received from consulted Native American Tribes. Monitoring of ground disturbing activities during the proposed operation by the operator and communication with a BLM archaeologist will minimize effects to any unknown resources.

9. No adverse impacts to any threatened or endangered species or their habitat that was determined to be critical under the Endangered Species Act was identified.

Rationale: The site was surveyed by BLM biologists and no Federally threatened or endangered wildlife occur in the area.

10. This alternative is in compliance with relevant Federal, State, and local laws, regulations and requirements for the protection of the environment.

Rationale: The project is compliant with all relevant environmental laws, regulations and requirements. Removal of this waste rock and proper reclamation would have beneficial effects to the surrounding environment and the federal parcel on which it is currently situated on.

/S/ Linda A. Clark

Linda A. Clark
Field Manager

May 24, 2012

Date
STIPULATIONS ASSOCIATED WITH THIS WASTE ROCK REMOVAL PLAN

• MRJ Resources agrees to hold BLM harmless for any accident or injuries which may occur on this Federal parcel.

• Copies of all required air quality permits will be provided by MRJ to BLM prior to commencing operations on the Federal parcel.

• Copies of all required water control plan and State water quality permits will be provided by MRJ to BLM prior to commencing operations on the Federal parcel.

• MRJ will comply with all applicable Federal and State Water Quality Standards and laws.

• MRJ shall protect all survey monuments, property corners and control points against destruction, obliteration or damage from the approved mining operation. If, in the course of mining operations, any monuments, corners, or control points are destroyed, damaged or obliterated, MRJ shall immediately report this to the BLM authorized officer and restore or re-establish the destroyed, damaged or obliterated item as directed by BLM and in accordance with state surveying requirements and practices.

• The operator will comply with the approved Spill Prevention/Response plan.

• Silt fences or berms will be utilized during all development and mining related operations to eliminate off-site migration of sediments.

• No blasting related explosive material of any kind will be stored on BLM property. No blasting will occur related to this waste rock removal project.

• No buildings will be constructed on BLM property. There will be no storage of materials on BLM property except the material that will be used for reclamation of the site. No equipment will be stored on BLM property except for the short term parking of equipment that is being directly used in mining.

• Weeds will be controlled by spraying in compliance with the weed control section of the associated Environmental Assessment document.

• There will be no private material transported to, dumped on, or stored on BLM property.

• Truck hauling operations will comply with requirements set forth in the Plan of Operations and the Environmental Assessment.

Company Acceptance

I, the undersigned hereby confirm through my signature, that as a primary representative of the MRJ Resources, LLC, I have read and understand all stipulations presented above, in the associated Plan of Operation (PoO) and the Environmental Assessment. Further, the company and I accept these stipulations and agree to fully abide by them all.

_____________________________  ________________
Robert M. Foster  Date
MRJ Resources, LLC.