

**U.S. Department of the Interior  
Bureau of Land Management**

**Finding of No Significant Impact  
for the  
Mineral Valley Mormon Basin Placer Project**

**Environmental Assessment #DOI-BLM-OR-050-2009-EA**

**Baker Field Office  
P.O. Box 947  
Baker City, Oregon 97814  
February 2011**



## Finding of No Significant Impact (FONSI)

### Background

The FONSI is a document that explains the reasons why an action will not have a significant effect on the human environment and why, therefore, an EIS will not be required (40 CFR 1508.13). This FONSI is a stand-alone document but is attached to the Environmental Assessment (EA) and incorporates the EA by reference. The FONSI does not constitute the authorizing document: the decision record is the authorizing document.

This EA (DOI-BLM-OR-050-2009-EA) analyzes the environmental impacts of Mineral Valley LLC's planned mining operation. The Mormon Basin Placer Project (Project) is located 5 miles southeast of Clarksville and 6 miles northeast of the Malheur Reservoir in the Mormon Basin Mining District in Malheur and Baker counties, Oregon. The Project area is situated within T. 13 S., R. 42 E., Sections 16, 17, 20, and 21, Willamette Meridian (33). The Project area was first mined for gold in 1883. Early mining of the Project area was mainly conducted to the depth of the false bedrock layer approximately 5 feet below the ground surface, and values below the false bedrock layer still exist. Placer mining, logging, and livestock grazing have occurred on both public and private land throughout the area of the Cumulative Effects Study Area (EA, Section 5).

The proposed Project is detailed in a Plan of Operations (PoO) submitted on March 29, 2007. Revisions were submitted in May and August 2007 and January 2009, with the final version submitted in December 2009. The Project area includes 317 acres of private land comprised of 157 acres of patented surface and mineral estate and 160 acres of private surface patented under the Stockraising Homestead Act, where mining claims have been filed on the Federal minerals. The Project area also includes 152.5 acres of mining claims held by Mineral Valley, LLC on public lands administered by the Bureau of Land Management, Vale District (BLM). The total of private land and BLM claims for this Project is 469.5 acres. Existing disturbance within the proposed Project area includes remnants of historic placer mining and mining which is currently taking place on private land in Mormon Basin under the terms of an existing Oregon Department of Geology and Mineral Industries permit.

The proposed action is to use conventional placer mining techniques to excavate gold-bearing gravel over a period of 10 years from three sites (Sites 1A, 2 and 3) comprised of six areas in close proximity to each other in the Mormon Basin, Malheur County, Oregon. The gravel would be excavated, sized, washed and the free-gold particulate would be removed prior to the un-mineralized gravels being deposited back into the area of excavation.

Reclamation would occur concurrently with the mining operation. As pits are mined out, they would be backfilled with oversized, washed gravel and clay substrate. Topsoil would be replaced, the ground surface would be recontoured to pre-disturbance conditions, and the reclaimed surface would be replanted. Mining would take place in 2 – 2.5 acre increments, and the maximum amount of mining disturbance on public land would be 20.5 acres per year. Final reclamation and monitoring would occur in years 10 – 13 after completion of mining.

The Mormon Basin Placer Project area has not been determined to possess wilderness characteristics. BLM has evaluated this area and has determined that significant impacts are unlikely to occur because of the pre-existing mining disturbance and the proposed concurrent reclamation plan.

#### Significance

“Significance” as used in NEPA requires considerations of both context and intensity (40 CFR 1508.27).

#### Context

For context, significance varies with the setting of the proposed action. For instance, for a site-specific action, significance would usually depend upon the effects in the locale rather than in the world as a whole. For this proposed action, the effects are confined to Cumulative Effects Study Area (CESA) including the Mormon Basin Placer Project area boundary in northern Malheur County near Clarksville, Oregon. These effects are described and analyzed in the EA.

#### Intensity

Intensity refers to the severity of effect. The proposed action would adhere to best management practices, operating stipulations, and design features that would prevent undue and unnecessary degradation of public land.

#### Controversy

Controversy in this context means disagreement about the nature of the effects, not expressions of opposition to the proposed action or preference among the alternatives. There will always be some disagreement about the nature of the effects for land management actions, and the decision-maker must exercise some judgment in evaluating the degree to which the effects are likely to be highly controversial. Substantial dispute within the scientific community about the effects of the proposed action would indicate that the effects are likely to be highly controversial.

### **FINDING OF NO SIGNIFICANT IMPACT**

Under the Proposed Action, there would be temporary changes to topography, land use, plants, wildlife and associated habitat, air quality, esthetics, and hydrology during mining. Short-term or temporary socioeconomic impacts are anticipated as well. Impacts to public lands are predicted to be initially negligible to minor for most resources, with impacts to vegetation predicted to be major in the short-term. Impacts would diminish to minor over the life of the mining period (10 years) and the final bond release period (approximately 13 years). Additionally, some permanent or long-term changes would occur including alteration of the geologic strata, increased infiltration rates through the backfilled placer material, and growth stages of the post-mining vegetative cover.

The Project area has experienced historic mining disturbance dating back to 1883. Mineral Valley, LLC proposes to mine 152.5 acres, much of which has been previously disturbed due to historic mining, in an effort to retrieve placer gold not retrieved by historic mining methods.

The appropriate implementation of the proposed operating stipulations, design features, and concurrent reclamation, would prevent or minimize any long-term adverse effects that may occur from the permanent changes. A maximum of 20.5 acres of public land would remain disturbed by mining operations or reclamation activities during any one mining season. The uneven, sometimes jagged, topography and cobble piles remaining from the historic mining activity would be contoured more evenly to match natural topography. Wildlife habitat would be temporarily eliminated within the areas disturbed by placer operations (approximately 152.5 acres over the entire 10 year mining operation), resulting in displacement of the more mobile species and some direct mortality of slow-moving terrestrial species. However, concurrent site reclamation, including establishment of native grasses, forbs, and trees could result in enhanced wildlife habitat, providing the opportunity for any displaced species to re-inhabit the area.

Five areas along Glengarry Creek within T. 13 S., R. 42 E., Section 17 received increased evaluation due to concerns about the potential for mining adjacent to streams to result in changes in hydrology or sediment delivery to streams, springs and wetlands. Columbia spotted frog adults and tadpoles were observed in all but one of the reservoirs in the Project area during a 2008 survey conducted by the Project biologist. Design features would be implemented to minimize effects to these resources.

The Project's affected region is localized and the effects of implementation are relevant to compliance with Federal and Oregon State law. There would be no adverse societal or regional impacts and no significant adverse impacts to the environment. The environmental effects have been evaluated together with the proposed design features, against the tests of significance found at 40 CFR 1508.27. Although not a condition of this determination, implementation of all design features and operating stipulations identified in Sections 2.2.4.5 and 2.4 of the EA would be critical to successful surface management of the proposed action.

Any land management action involving ground disturbance invariably, and by definition, entails environmental effects. Based upon the analysis of environmental impacts contained in the referenced EA (DOI-BLM-OR-050-2009-EA), the potential impacts resulting from the proposed action would not be significant and therefore, preparation of an environmental impact statement is not required.

If the decision were made to implement the Proposed Action Alternative (Alternative 2) and the health and safety restoration components of Alternative 3 (EA Section 2.3.2):

1. The proposed action would cause no significant impacts, either beneficial or adverse; all impacts would be insignificant; and the proposed activity would not have an adverse effect on water quality. The reason for this determination is because mining would not occur in areas along Glengarry Creek identified as being at risk for changes in hydrology or sediment delivery (EA Section 2.2.4.5); design features would be implemented for mining near streams and wetlands to ensure that mining does not intercept the groundwater table; and all reservoirs, ponds, wetlands, and perennial streams would be protected with a minimum 20 foot non-disturbance buffer. Water used for the mining operation would be discharged to off-channel settling/recycling ponds, and process water would not

- be discharged to waterbodies or wetlands.
2. The proposed action would have no adverse effect on public health or safety because of the remote location, low public recreation use, and the safeguards proposed in the Plan of Operations.
  3. The proposed action would not affect unique characteristics of the geographic area such as proximity to park lands, prime farmlands, or ecologically critical areas because none have been identified in this area.
  4. The proposed action may disturb cultural resource sites and structures that are not eligible for listing on the National Register of Historic Places (NRHP). The Cultural Resources Inventory identified 18 cultural resources on BLM-administered lands within the assessment area (private lands were not surveyed for cultural resources). Fifteen of those cultural resources were determined not to be significant for listing in the NRHP by SWCA, and this determination was concurred with by the State Historic Preservation Office. Mining activities under the proposed action may disturb sites and structures not eligible for listing under the NRHP which would result in a negligible to moderate, detrimental and permanent impact to these resources. The proposed action would have no adverse effect to any property listed on or potentially eligible for listing on the NRHP because these resources (Resource Nos. 14532-10 (Smithsonian Trinomial Number 35ML 1531), 14532-11 (Smithsonian Trinomial Number 35ML 1532), and 14532-16IF) would be avoided and protected with a buffer and would not be impacted (EA Section 4.3.1).
  5. The proposed action would have no highly controversial effects. Public comment provided input to the decision process allowing the Baker Field Office staff to further evaluate the analysis on streams and associated riparian habitat. The BLM operating stipulations and design features required for this Project eliminate mining in the areas at risk for changes in hydrology or sediment delivery and require design features for mining near streams and wetlands to provide protection for the water resources (EA Section 2.2.4.5). Additionally, mining scenarios similar to this operation were analyzed in the Baker Resource Management Plan, 1989.
  6. The proposed action would have no uncertain effects and would not involve unique or unknown risks because the Mormon Basin Placer Project is considered to be a small- to moderate-sized placer gold mining operation. The size and disturbance created by placer mining operations can range from locally concentrated hand panning operations to extensive dragline and hydraulic extraction methods. The proposed action will occur mainly in areas previously disturbed by historic mining and will use established methods of excavator extraction to feed the mobile washing plant.
  7. The proposed action is not related to any immediate action being considered by BLM within the Cumulative Effects Study Area defined (CESA) in the EA (page 110).
  8. There are no known federally listed species within the Project Area. The proposed action would not significantly adversely affect any candidate species or their habitat because design features would be implemented to minimize the potential for impacts to the Columbia spotted frog (EA Section 4.2.3.1) and the timing of

the mining operation is outside of the winter range period that greater sage-grouse would be most likely to use the site (EA Section 4.2.3.1). Additionally, the implementation and use of the stipulations, design features, and BMPs would minimize or preclude adverse impacts to the habitat on private and public land.

9. The proposed action does not violate any law or requirement imposed for the protection of the environment as the BLM regulations under 43 CFR 3809 require that all required Federal, State, and Local regulations and permits are in full effect before commencement of operations.
10. The proposed action would not significantly affect air quality because no chemicals would be used in the gold extraction process and dust control measures would be used during mining operations (EA Section 2.2.4.5).
11. The proposed action would not significantly adversely affect permitted livestock grazing. The Project area is within the 23,969 acre Pedro Mountain Geographic Unit, of which 9,734 acres of public land is designated as grazing allotment. Mining operations would not immediately impact the total planned disturbance acreage allowing livestock and wildlife to adjust and graze in adjacent areas.
12. The proposed action would not adversely affect wild horses or wildlife because adequate sources of forage and water will remain available. No wild horses or burros have been identified in this area.

The proposed action is consistent with the Baker Resource Management Plan (1989) and Oregon State law.

*Ted Davis*

*2-23-11*

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Date