

**STATEMENT OF CHUCK WASSINGER
ASSOCIATE STATE DIRECTOR, OREGON-WASHINGTON,
BUREAU OF LAND MANAGEMENT
HOUSE RESOURCES COMMITTEE
SUBCOMMITTEE ON ENERGY AND MINERALS
PROPOSED FEDERAL MINING POLICY CHANGES
AND THEIR EFFECT ON THE MINING INDUSTRY
AND ON STATE AND LOCAL REVENUES**

September 11, 1999

Madam Chairman and members of the Subcommittee, I appreciate the opportunity to appear here today to discuss "Proposed Federal Mining Policy Changes and Their Effect on the Mining Industry and on State and Local Revenues." I am joined here today by Nancy Graybill, Regional Forester, Region .

My testimony will focus on the handling of the application for a cyanide heap leach mine filed by Battle Mountain Gold for its Crown Jewel mine - an 118 acre open pit gold mine on Buckhorn Mountain in northern Washington State.

Department of Interior Solicitor John Leshy has testified before this committee and also before the Senate Energy Committee on the legal basis for the mill site opinion.

-respective BLM-FS roles in process

March 26 joint denial of plan of operation

Congress has acted; directed approval of ROD; which has occurred on June ; plan currently held up by appeal to IBLA.

Mill site issue, beyond the parameters of Crown Jewel subject to the proceedings of the FY 2000 Interior Appropriations Bill - Senate barring application of opinion; House by vote of 273-151 on Rahall amendment supporting opinion.

EIS, cost, duration was it handle in standard fashion

delays, lawsuits

firm's expectations

Misconception #3 in John Leshy's 6/15 testimony: BLM and the Forest Service specifically approved the crown Jewel mine's use of excessive mill sites, only to reverse course years later. BLM and the Forest Service approved the Record of Decision (ROD) on the environmental impact statement (EIS) under NEPA in early 1997, for the proposed Crown Jewel mine without looking at the underlying mill site issue. In approving the ROD the agencies specifically stated

that their "(a)pproval of the Selected Alternative will not now , nor in the future, serve as a determination of ownership or validity of any mining claim to which it may relate ...".

This concludes my statement. I will be pleased to answer questions.