

To: Hoffman, Kent[khoffman@blm.gov]
Cc: Porter, Lance[l50porte@blm.gov]; Pamela Jarnecke[pjarnecke@blm.gov]; Edwin Roberson[eroberso@blm.gov]; Christina Price[cjprice@blm.gov]; Ted McDougall[tmcdouga@blm.gov]; Donald Hoffheins[dhoffhei@blm.gov]
From: Hoffheins, Donald
Sent: 2017-07-20T13:10:58-04:00
Importance: Normal
Subject: Re: Daneros Mine Plan Modification Update and request for briefings if necessary
Received: 2017-07-20T13:11:49-04:00
[Briefing Memo- La Sal Mines Plan Modification 07132017.docx](#)
[Daneros Briefing Paper 07-20-2017.docx](#)

Ed, Kent and Pam,

I have attached the Briefing Papers for both projects.

As for Daneros, we recently received editorial comments from Jim Karkut on the EA. Ted has worked through most of them but there are some air quality comments that we are still working through. You'll also see in the consultation discussion that we have requested a followup meeting with the Ute Mtn Ute Tribe but still have not gotten that set up.

The latest "reminder" to them was in a June 5 letter to Chairman Cuthair.

Don Hoffheins

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Donald K. Hoffheins
Bears Ears National Monument /
Monticello Field Office, Utah
Work: 435 587 1506, Cell: 435 459 9461
dhoffhei@blm.gov

On Wed, Jul 12, 2017 at 2:12 PM, Hoffman, Kent <khoffman@blm.gov> wrote:

Lance,

- Would it be possible to get the UTSO briefed on both Daneros and LaSal at the same time? Same operator and same mill involved.
- What documentation do we have regarding efforts to consult with the UMU Tribe?
- Once Ed is up to current speed on the projects, I think he would be the one that could consult with WO questions regarding any monument related issues.

On Wed, Jul 12, 2017 at 9:33 AM, Porter, Lance <l50porte@blm.gov> wrote:

Kent,

We are updating the briefing paper. Please schedule the briefings that you feel are necessary. I believe ample time has been given for consultation, but we need to make sure everyone is comfortable before we move ahead.

Thank you,

----- Forwarded message -----

From: **Hoffheins, Donald** <dhoffhei@blm.gov>

Date: Wed, Jul 12, 2017 at 8:42 AM

Subject: Daneros Mine Plan Modification Update and request for briefings if necessary

To: Lance Porter <l50porte@blm.gov>, Ted McDougall <tmcdouga@blm.gov>

Cc: Donald Hoffheins <dhoffhei@blm.gov>

Lance, We are getting close to completing all reviews on the EA. It has been a month since our last Consultation letter to the Ute Mtn Ute Tribe concerning Consultation on Daneros and we have received no response.

Issue is:

1. Although no cultural resource sites are located in the disturbance area, Ute Mtn Ute Tribe has said that Consultation is not complete till we meet with the Tribal Council. We have been trying to get with the Council since Last January in a variety of ways, but still no response.
2. They have expressed concerns verbally with the White Mesa Mill.

I request a question "up the line" related to Consultation as to whether we should move forward with a decision. Also, while asking the question about moving forward, we need to consider the effect of the Monument designation.

1. Of the approximately 65 miles to haul ore to the White Mesa Mill, approximately 40 miles is within the monument boundary.
2. Since the monument is under Secretarial Review, I don't know if the WO wants us to move forward.

Finally, I assume it to be the case, but need to know if we will need to set up briefings with WO and DOI since we now have more new staff at those levels. Thanks for vetting these questions up.

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Ted, please revise the briefing paper to reduce background information as discussed before, and update with the newest status and issues by Friday of next week in preparation of setting up briefings.

Don Hoffheins

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Donald K. Hoffheins
Bears Ears National Monument /
Monticello Field Office, Utah
Work: 435 587 1506, Cell: 435 459 9461
dhoffhei@blm.gov

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Lance C. Porter
District Manager
Canyon Country District
Office (435)259-2174

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Kent Hoffman
Deputy State Director, Lands & Minerals
U. S. Bureau of Land Management
Utah State Office, Salt Lake City, Utah
Phone (801) 539-4063

FLPMA mandates that the BLM manage Public Lands for *multiple use and sustained yield*.
Continuous exploration, development, and site restoration of energy and mineral resources are necessary to **sustain**
their **yield**

**INFORMATION/BRIEFING MEMORANDUM
FOR THE UTAH STATE DIRECTOR**

DATE: July 13, 2017

FROM: Lance Porter, Canyon Country District Manager

SUBJECT: La Sal Mines Complex Mine Plan Modification

Moab Field Office has prepared an environmental assessment (EA) to analyze the impacts of a proposed modification to the Pandora, La Sal, Beaver Shaft and Snowball Mine Plans of Operations and is preparing to move forward with a Finding of No Significant Impact (FONSI) and Decision Record (DR).

KEY FACTS

The proposed future development plan for the operations at the La Sal Mines Complex has the potential to employ up to 80 employees at the Beaver Shaft Mine and 50 employees at the Pandora Mine and extend the mine life to 20 years. The estimated uranium ore production under the modified plan is 3.5 million cubic yards 20 years.

BACKGROUND

On December 2, 2009, Denison Mines (USA) Corp. submitted a Mining Plan of Operations Modification for the La Sal, Beaver Shaft, Snowball and Pandora Mines (La Sal Mines Complex) pursuant to 43 CFR Subpart 3809, which regulates surface operations conducted under the General Mining Law of 1872 and other applicable laws and regulations. In 2012, the La Sal Mines Complex and other Denison assets in the United States were acquired by Energy Fuels Inc. and the company was renamed Energy Fuels Resources (USA) Inc. (Energy Fuels). Accordingly, the proponent for the proposed Plan of Operations Amendment (POA) for the La Sal Mines Complex is Energy Fuels.

The mines within the La Sal Mines Complex are underground uranium mines. Thirty-eight acres of BLM-managed lands and twenty-four acres of National Forest System Lands could be subject to surface disturbance by this proposal. The mine portals and main facilities (mine offices, fuel storage, and workshops) are located on lands managed by the BLM. Ventilation shafts needed to vent the mine workings are located on USFS and BLM-administered public lands, private lands and lands managed by the Utah School and Trust Lands Administration (SITLA). The USFS is a cooperating agency for the environmental assessment.

The plan of operations modification proposes the following:

- Expanding of the development rock area at the existing Pandora Mine, increasing the surface disturbance from nine to 20.3 acres, includes topsoil stockpile.

- Ten ventilation shafts and 132 exploration drill holes on BLM-managed lands spread through three phases of the 20-year life of the mine. Estimate disturbance-27 acres. Drill hole locations would be reclaimed the first fall after drilling takes place.
- Reclamation plan for final closure and interim reclamation plan for idle status.
- Consolidation of two existing mine plans into one.

The BLM and the USFS analyzed the combined effects of these mining activities on the environment in an EA. The EA analyzes three alternatives in detail; the Proposed Action Alternative, the Require Modifications to the Proposed Action (Conditions of Approval) and the No Action Alternative. The Proposed Action Alternative is the plan of operations modification as proposed, including all project design features aimed at avoiding or minimizing environmental impacts. The Require Modification to the Plan of Operations Alternative addresses resource issues identified through public and internal scoping. The No Action Alternative is to continue operations under the currently approved plans of operations. Two additional alternatives were considered in the EA but are not analyzed in detail. These are: 1) Environmental Protection Alternative where some components of the proposed alternative were either already included in Alternative A or incorporated into Alternative C. Other components of this proposed alternative were either already in place, such as the installation of a local meteorological weather station, already required by regulation and statute, or outside the BLM's jurisdiction such as conducting health assessments for the people living in La Sal. 2) Backfill All Development Rock in Mine Working, which considers placing 100 percent of the development rock back underground.

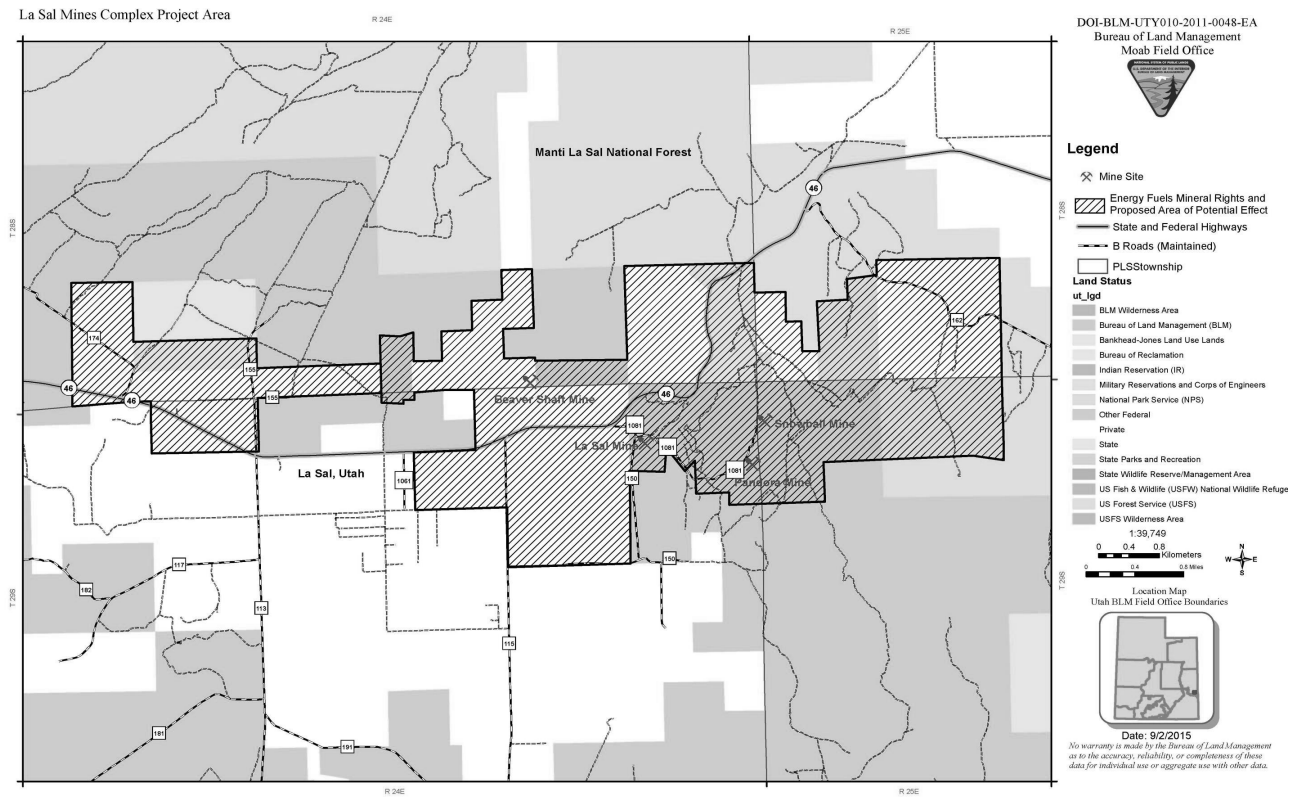
Both the BLM and the USFS conducted public scoping, held two public meetings, placed the EA out for 30-day public comment and the USFS provided additional scoping through a Notice of Proposed Action and the USFS posted the EA and draft decision for a 45-day objection period per its NEPA requirements.

NEXT STEPS

- The Moab Field Office has completed its analysis of the potential environmental impacts of the project and is preparing to release a FONSI and Decision Record. The decision is to approve the Require Modification to the Plan of Operations Alternative that will apply conditions of approval to the plan of operations amendment to provide additional protections to cultural resources, wildlife, vegetation, and groundwater.

ATTACHMENT

Map



**INFORMATION/BRIEFING MEMORANDUM
FOR THE UTAH STATE DIRECTOR**

DATE: July 13, 2017

FROM: Lance Porter, Canyon Country District Manager

SUBJECT: Daneros Mine Plan Modification

The Monticello Field Office has prepared an environmental assessment (EA) to analyze the impacts of a proposed modification to the Daneros Mine Plan of Operations and is preparing to issue a Finding of No Significant Impact (FONSI) and Decision Record (DR).

KEY FACTS

The proposed Plan of Operations modification would increase total project disturbance from 4.5 acres to 46 acres. Under the modified plan, ore production is expected to increase from 100,000 tons over seven years to 500,000 tons over 20 years. Uranium ore would continue to be transported by highway trucks approximately 60 miles to the White Mesa Mill. Roughly, 40 miles of the haul route is on an existing county road and State Highway within the Bears Ears National Monument. The project has the potential to employ up to 40 miners and support personnel.

BACKGROUND

On December 20, 2013 Energy Fuels Resources (USA) Inc. submitted a Plan of Operations Modification for the Daneros Mine pursuant to 43 CFR 3809.431. The proposed plan modification would expand facilities at the existing Daneros portal area, add new facilities at the Bullseye and South portal areas and add up to eight ventilation holes.

The EA analyzes two alternatives in detail; the Proposed Action Alternative and the No Action Alternative. The Proposed Action Alternative is the Plan of Operations Modification as proposed, including all project design features aimed at avoiding or minimizing environmental impacts. The No Action Alternative is to continue operations under the currently approved Plan of Operations. Three additional alternatives are considered in the document but are not analyzed in detail. These are: 1) Reclamation Alternative, which considers placing 100 percent of the development rock back underground during reclamation; 2) South Portal Area Alternative which considers reconfiguring facilities at the south portal area to avoid approximately 7 acres with wilderness characteristics, and; 3) Mitigation Alternative to consider additional mitigation of the proposed action.

Public involvement included a 6-week scoping period and a 6-week EA comment period. During the scoping period the BLM received nine comment letters from government agencies, Tribal groups, environmental advocacy groups and individuals. Additionally, the BLM received 2,045 identical form letters. During the EA comment period, the BLM received 22 individual letters commenting on the EA and more than 500 identical form letters. The interdisciplinary team reviewed internal and external project scoping information, made an initial assessment of potential

resource impacts and identified three primary issues for detailed analysis in the EA. The issues analyzed in detail in the EA are Air Quality; Water Quality; and, Human Health and Safety.

BLM responses to public comments are documented in the EA. Modifications were made to the EA based on public input. The changes include minor editorial corrections, clarification of the purpose and need, additional detail about project design features of the Proposed Action, and additional analysis and documentation of environmental impacts - including environmental effects at the Bears Ears National Monument (BENM). The changes did not result in the need for additional action alternatives or identification of new resources/issues requiring detailed analysis in the EA.

Native American Consultation letters were sent to 12 tribal entities in order to identify any concerns related to traditional cultural properties (TCPs) or sacred sites. The BLM received responses from three tribes—the Ute Mountain Ute Tribe (UMUT), the Navajo Nation and the Hopi Tribe.

Following the EA comment period a Consultation meeting was held with representatives of the Ute Mountain Ute Tribe. The tribe expressed concern about the potential impacts of mill operations to residents at White Mesa community. The White Mesa Mill is currently operating with no production from the Daneros mine. The analysis concludes that even with the production quantities proposed in the Daneros Mine Plan of Operations modification, processing of Daneros ore at the White Mesa Mill would have negligible indirect and cumulative impacts. Follow-up Consultation meetings have been requested by the BLM with no response from the UMUT.

Following the EA comment period a Consultation meeting was held with representatives of the Navajo Nation. The Navajo Nation claimed ancestral and cultural affiliation to prehistoric cultural groups in the region, although no specific TCPs of concern to the Nation were identified through consultation. After sharing of information, the EA was revised to clarify their affiliation and they had no further concerns.

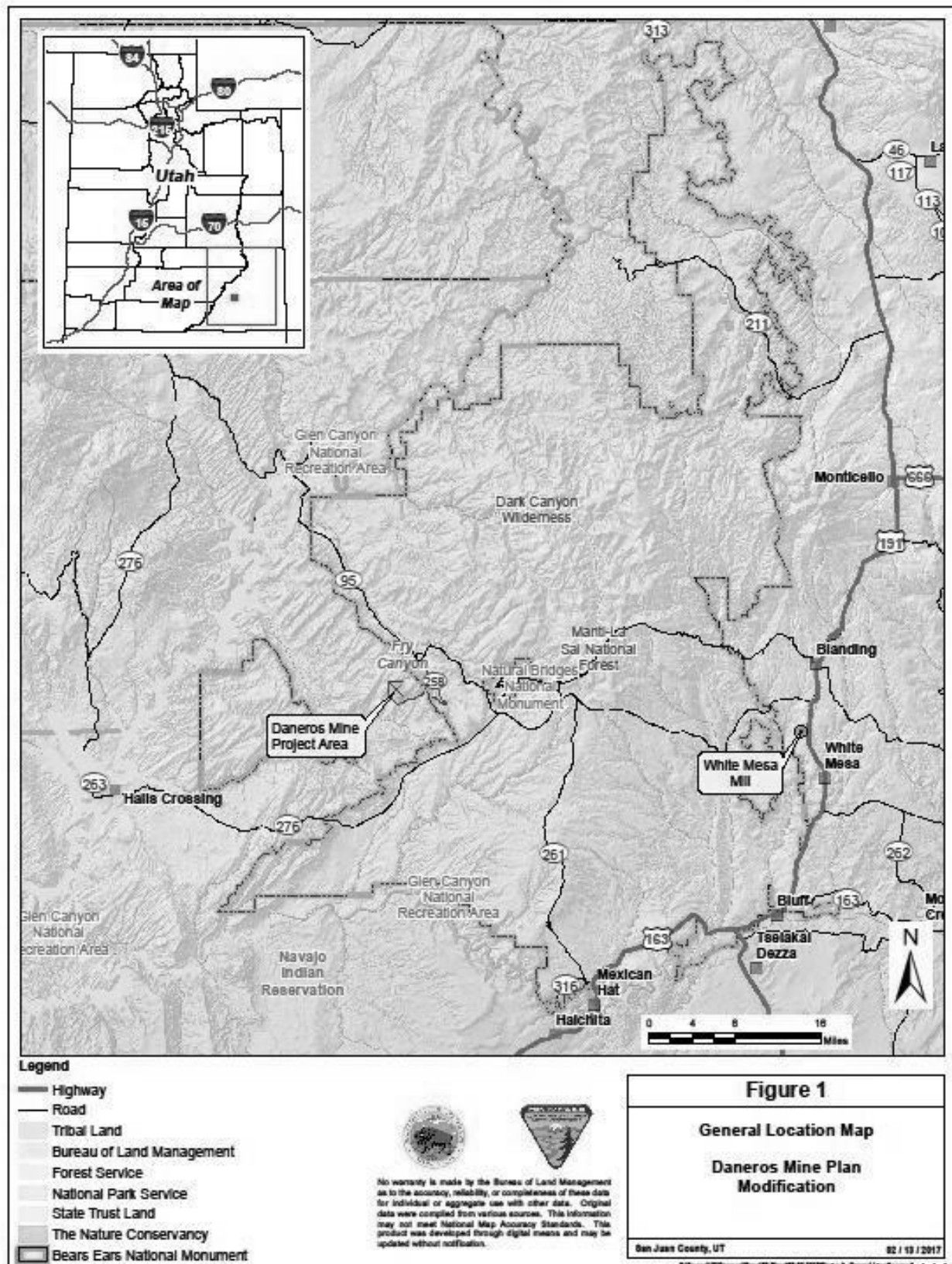
The Hopi Tribe also claimed ancestral and cultural affiliation to prehistoric cultural groups in the region, and in their 2008 Consultation Letter expressed opposition to, “uranium mining pursuant to the doctrine of discovery and 1872 mining law...”. The Hopi Tribe did not provide comments on the EA.

NEXT STEPS

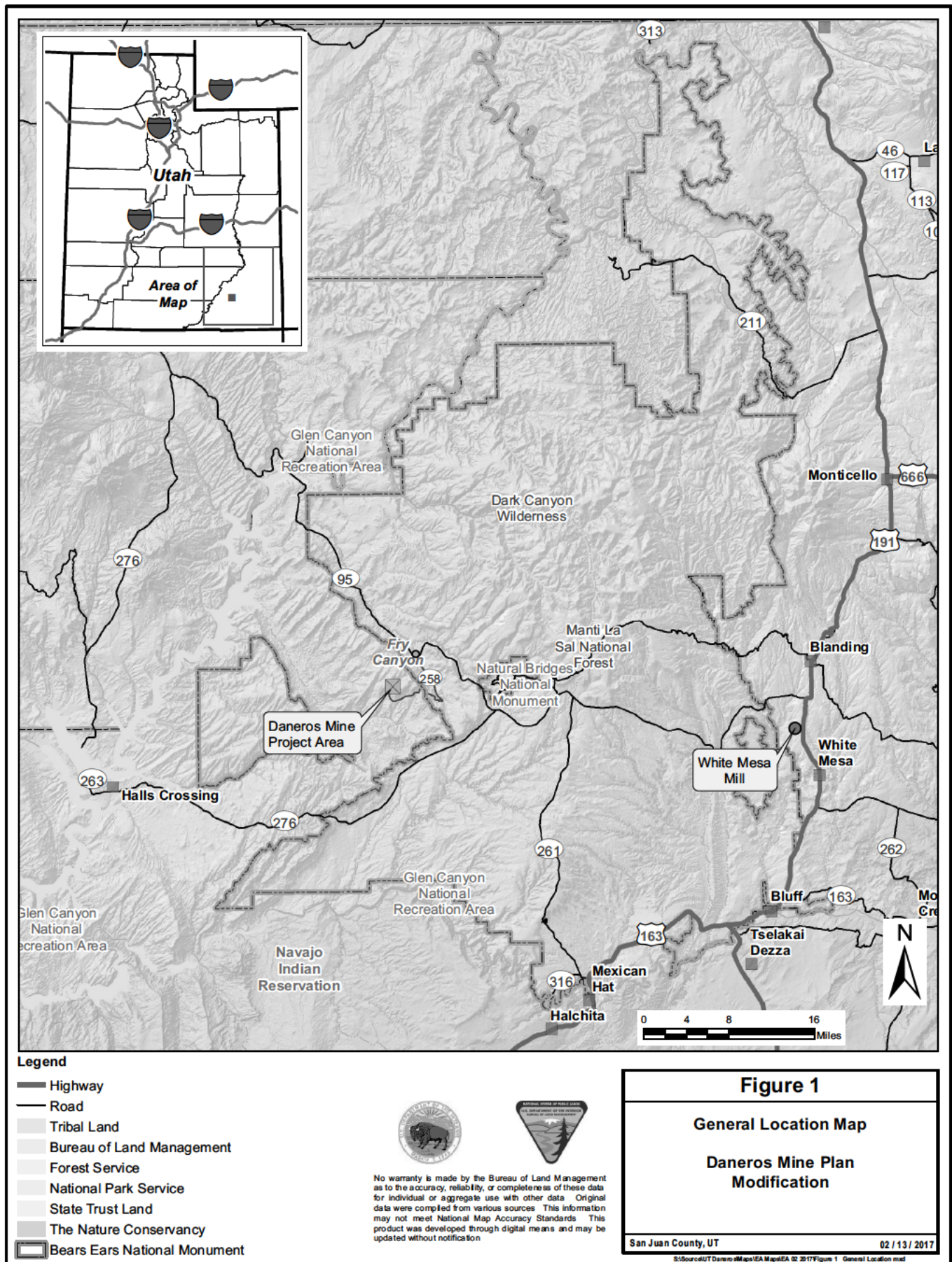
- Issue a FONSI and DR to select the Proposed Action Alternative and approve the Daneros Mine Plan of Operations Modification.
- Issue press release of BLM’s decision.

ATTACHMENT

Map



DRAFT



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