

**Kimberly MacMillan**

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From: **June Castelhana** <[junec@azcu.org](mailto:junec@azcu.org)>

Date: Wed, May 4, 2011 at 6:54 PM

Subject: No AZ Withdrawal DEIS\_AZ Mining Assn Comments

To: [NAZproposedwithdrawal@azblm.org](mailto:NAZproposedwithdrawal@azblm.org)

Please accept the attached comments from the Arizona Mining Association on the proposed land withdrawal in Northern Arizona. Call me if you have any questions.

Thank you. June Castelhana – 602-266-4416 – [junec@azcu.org](mailto:junec@azcu.org)

June Castelhana

Arizona Mining Association

602-266-4416

# ARIZONA MINING ASSOCIATION

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May 4, 2011

**Via Electronic Mail: [azasminerals@blm.gov](mailto:azasminerals@blm.gov)**

Northern Arizona Proposed Withdrawal Project  
ATTN: Scott Florence, District Manager  
Bureau of Land Management  
Arizona Strip District Office  
345 East Riverside Drive  
St. George, Utah 84790-6714

Re: Northern Arizona Proposed Withdrawal Draft Environmental Impact Statement for the Bureau of Land Management Arizona Strip District Office (76 Fed. Reg. 9594, February 18, 2011)

Dear Mr. Florence:

The Arizona Mining Association ("AMA") is pleased to submit, on behalf of its members, the following comments on the above-referenced Northern Arizona Proposed Withdrawal Draft Environmental Impact Statement (DEIS). On July 21, 2009, Secretary of the Interior Ken Salazar proposed to withdraw, subject to valid existing rights, more than one million acres of public and National Forest System lands in Coconino and Mohave Counties in Arizona from mineral location and entry under the 1872 Mining Law.

The AMA is a non-profit business league comprised of entities engaged in mining and mineral processing in Arizona. In 2010, AMA member copper companies produced approximately 62% of the nation's newly-mined copper, employed approximately 10,400 workers and had an estimated impact of nearly \$12.1 billion on the Arizona economy. Other AMA members are engaged in the mining of molybdenum, coal, uranium and other valuable minerals that also significantly contribute to the Arizona economy. Since the stated purpose of the withdrawal is to protect against "the adverse effects of locatable hard rock mineral exploration and mining," most of our member companies have a direct interest in this proposal. More importantly, many of our uranium member companies have mining claims and/or current and future mineral exploration plans within the area proposed for withdrawal and are therefore directly impacted by the proposal.

The DEIS was prepared to provide guidance to the Secretary for a final decision, and the Proposed Action calls for the twenty-year withdrawal of minerals in 1,010,776 acres near Grand Canyon National Park from location and entry under the Mining Law. The AMA strongly believes that the DEIS does not support the Secretary of the Interior's proposed mineral withdrawal of over one million acres of public lands. The AMA further believes that the existing framework of environmental laws, regulations and associated financial assurance requirements, applicable to mining activities on public lands, will ensure environmental protection of those public lands. Accordingly, AMA believes the Secretary of Interior should immediately cancel the withdrawal proposal. In the absence of a cancellation, we urge the selection of Alternative A – the No Action Alternative.

In addition, AMA supports and incorporates by reference the comments on this proposal being submitted separately by VANE Minerals (US) LLC, Energy Fuels Resources Corporation, Denison Mines, the National Mining Association (NMA), the Arizona Rock Products Association (ARPA), the Northwest Mining Association (NWMA), and the American Clean Energy Resources Trust.

### **General Comments**

The stated purpose of the withdrawal is to “protect the Grand Canyon watershed from adverse effects of locatable hardrock mineral exploration and mining for up to a 20-year period.” The “adverse effects” of mining are allegedly to the “watershed.” However, the uranium deposits in the breccia pipes which are present in the proposed area of mineral withdrawal are dry, and the ore bodies are located several hundred to over 1,000 feet above the nearest underlying aquifer. AMA believes the Bureau of Land Management (BLM) in the DEIS has failed to make a case that uranium mining constitutes an environmental threat to the Grand Canyon watershed. In fact, the BLM District Manager acknowledged at a meeting that that they found no evidence that mining caused any contamination of the Colorado River or Grand Canyon.

There are no significant environmental reasons for the withdrawal because there are existing laws and regulations that adequately protect the environment. These laws, including the Clean Air Act (CAA), the Clean Water Act (CWA), the Endangered Species Act (ESA), the Federal Land Policy and Management Act (FLPMA), the National Environmental Policy Act (NEPA), the National Historic Preservation Act (NHPA), the Arizona Environmental Quality Act which authorized Arizona's Aquifer Protection Program (APP), the Forest Service (USFS) and Bureau of Land Management surface management regulations and policies, as well as applicable state and local permitting and financial assurance requirements, provide sufficient legal authorities and tools for the protection of all environmental resources while providing for multiple-use of the area. In fact, as noted in the NMA comments, the National Academy of Sciences reviewed existing federal and state regulatory framework for hardrock

mining and concluded that the existing laws were “generally effective” in ensuring environmental protection<sup>1</sup>

Contrary to the stated purpose of the withdrawal, it appears that the proposed withdrawal is merely an effort to restrict mining on public lands. The map of the proposed withdrawal area clearly demonstrates that the proposed boundary extends beyond a buffer zone of the Colorado River and its tributaries to intentionally cover areas of known or expected mineralization. This obvious bias is supported by the inexplicable speed in which federal agencies can prepare and publish a DEIS. This DEIS was prepared and published in less than two years to address numerous mining operations in the proposed area of withdrawal, while it has taken more than 2 years to publish a DEIS of a proposed single mining operation in Arizona that started more than 4 years ago.

Contrary to the Ninth Circuit Court of Appeals in *Lords Council v. McNeil*, 537 F.3d. 981 (9<sup>th</sup> Cir. En banc 2008)(finding that the law does not allow the abandonment of a balance of harms analysis just because an environmental injury is an issue), the economic impact of the proposed withdrawal has not been adequately addressed in the DEIS. In particular, the economic impact associated with not developing uranium reserves on the economies of Arizona, Utah and the nation need to be evaluated. As noted in the NWMA comments, since the revival of the uranium industry in 2004, at least \$30 million has been added to the Arizona economy and that industry was poised to add \$1 billion over the next several years and over \$10 billion long-term with the increased interest in nuclear energy. The industry also would add hundreds of jobs at salary levels more than 50% higher than the average salary levels in the area. Instead, under the Proposed Action, there would likely be a loss of jobs in the area during a time when jobs are desperately needed. Therefore, land management agencies need to balance the environmental analysis in the NEPA process by giving equal consideration to economic and social factors and not presume that environmental harm will outweigh all other considerations.

Furthermore, the Proposed Action is inconsistent with current laws and federal policies. It is unclear why the Secretary of Interior is moving rapidly to block access to one of the largest domestic supplies of fuel necessary to operate new reactors at nuclear power plants being promoted by the Secretary of Energy under President Obama’s energy agenda. The Proposed Action also is inconsistent with the Domestic Minerals Program Extension Act of 1953, the Mining & Minerals Policy Act of 1970, the Federal Land Policy and Management Act of 1976, the National Materials and Minerals Policy, Research and Development Act of 1980, and the Arizona Strip Wilderness Protection Act of 1983.

Based on its review of the DEIS, AMA strongly believes that the Secretary of Interior should immediately cancel the proposed withdrawal. If the withdrawal is not cancelled, AMA

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<sup>1</sup> *Hardrock Mining on Federal Lands*, National Academy of Sciences, National Academy Press, 1999, p. 89.

concludes that the Alternatives (Alternative B-- withdrawal of 1,010,776 acres; Alternative C- withdrawal of 652,986; and Alternative D- withdrawal of 300,681 acres) are not warranted and recommends that Alternative A (No Action Alternative) be adopted. The AMA believes there exists, without the proposed withdrawal, sufficient legal protections in place to ensure that the Grand Canyon National Park watershed is protected while allowing the development of critical domestic mineral resources.

### **Specific Comments**

#### **Section 1.3.1**

The Purpose of the Proposed Action is described as “to protect the natural, cultural and social resources in the Grand Canyon watershed from the possible adverse effect of the reasonably foreseeable locatable mineral exploration and development that could occur in the segregated area.” The Need for Action is described as “concerns that future hardrock mining activities in the Grand Canyon watershed, particularly for uranium, could result in adverse effects on resources.” However, this section acknowledges that environmental impacts were from historic mines, namely the Orphan Mine on the south rim of the Grand Canyon, that date back to the 1860’s that were operated prior to the adoption of new regulations and permitting requirements that govern mining on federal lands. As noted in ARPA’s comments, the United States Geologic Survey (USGS) and the Arizona Geologic Survey (AGS) have noted that the amount of uranium naturally eroding into the watershed from exposed breccia pipes far exceeds both the historic releases of uranium from past mining operations and any reasonably anticipated releases of uranium from future mining activity. In fact, the DEIS clearly shows that most of the projected impacts to environmental resources are negligible or minor under the “No Action” alternative.

#### **Section 2.4.1, Section 4.3.5 and Section 4.3.6**

The DEIS does not put into proper context the fact that considerable acreage of land has already been withdrawn in the vicinity of the proposed withdrawal area. As acknowledged in Sections 4.3.5 and 4.3.6 of the DEIS, 50% of the 9,100 square miles designated as high mineral potential for uranium in Northern Arizona has already been withdrawn from mineral location and entry. Under the Proposed Action, the land withdrawn would increase by 1,579 square miles to almost 70% of the land with high uranium potential. Furthermore, the withdrawal of 70% of lands with high uranium potential does not include large land blocks that various tribes have closed access to under uranium mining moratoriums. As noted in ARPA’s comments, this region is one of the most important uranium-producing regions in the United States with nearly a 300-400 million pound uranium endowment according to the BLM and the USGS (Circular 1051). This endowment represents an enormous and vital domestic supply of clean energy at a time critical to the energy needs of the United States. The Proposed Action would require the nation to forego almost half of its uranium resources and force the country to become even more import dependent for this strategic mineral.

Section 4.2.5- Climate Impacts

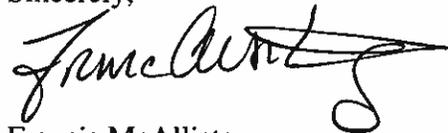
While the DEIS considers incremental Greenhouse Gas (GHG) emissions from breccia pipe projects, the DEIS fails to calculate the GHG reductions that is represented by the uranium energy source.. As noted in Energy Fuels Resources Corporation's comments, using the Navajo Generating station as an example, the total potential offset by using uranium as a fuel results in 1.56 billion tons of CO<sub>2</sub>. Any reasonable search for clean and abundant energy with a minimal carbon footprint would inevitably lead to the vast uranium resources in northern Arizona.

Conclusions

Inconsistent with the Proposed Action, the DEIS has not identified any environmental basis to justify the massive withdrawal of an additional million acres of federal lands. In fact, the DEIS indicates that any potential releases of uranium from current or future mining activities would be orders of magnitude below the uranium that is naturally released from the exposure of mineralized breccia pipes. Furthermore, the existing body of environmental laws, regulations and financial assurance requirements are adequate to ensure environmental protection without hampering the ability to safely develop the strategic uranium mineral for the benefit of the citizens and the economies of Arizona, Utah and the United States.

Thank you for the opportunity to comment on the Draft Environmental Impact Statement. Please contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Francis McAllister", with a long horizontal flourish extending to the right.

Francis McAllister  
Chairman