

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
BISHOP FIELD OFFICE
FINDING OF NO SIGNIFICANT IMPACT**

**Cougar Gold Paramount Exploration Proposal
Environmental Assessment: DOI-BLM-CAC070-2009-0017-EA**

BACKGROUND

The purpose and need of this action is to provide a decision to authorize an exploratory minerals drilling program to occur in a Wilderness Study Area (WSA) with minimal environmental impacts. The Project Area (PA) is located in the Bodie Hills of east-central California. Cougar Gold has submitted an amended Plan of Operations (POO) to the Bureau of Land Management, Bishop Field Office (BLM) describing their proposed exploratory drilling project. It has been analyzed in Environmental Assessment (EA): DOI-BLM-CAC070-2009-0017-EA.

The EA analyzed the mineral exploration proposal of eleven drill holes at eight locations within the Bodie Wilderness Study Area (WSA CA-010-100). As detailed in the EA the exploration has been determined to be a continuation of minerals uses occurring in the project area prior to the passage of the Federal Land Policy and Management act of 1976 (FLPMA) and as authorized under Title 43 Code of Federal Regulations 3802 “Exploration and Mining, Wilderness Review Program” (43 CFR § 3802) and BLM’s Interim Management Policy and Guidelines for Lands Under Wilderness Review (IMP). The Paramount Mine area has a long history of mining and exploration beginning as early as 1937 when the mine was originally listed in the Mine Register Index. Early use was for cinnabar and most of the visual mining features and disturbances are related to cinnabar mining. BLM records show the original, formal claims occur beginning in 1959. Since then exploration has been prevalent (see EA, Appendix A), including surface cuts, trenching and removal of overburden, with core drilling occurring as early as 1968. Work has generally occurred on an annual to biannual basis up to the 1990s.

The area of potential effect (APE) for the project is defined as the area that could be directly impacted from drilling activities. Specific exploration operations are proposed to occur on existing routes on approximately 0.09 surface acres (60 feet by 8 feet at 8 sites) of previously disturbed land within the WSA. The APE includes a 25 foot buffer on either side of the routes where drilling is proposed to occur. The buffer zone is an area of 0.55 acres. The total potential directly affected area inside the WSA would be 0.64 acres. In addition, there are approximately 5.83 acres of access routes (2.67 miles plus a 5 foot buffer on either side of the road) that would be used. Approximately 0.91 miles of the access routes are inside the WSA, 1.23 miles are on BLM lands outside the WSA and 0.45 miles are on private land (EA, Figure 1.2). The total APE including the buffer zones is 6.47 acres, of which 2.62 are inside the WSA.

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On the basis of the information contained in the EA, the history of mining in the area and region and all other information available to me, it is my determination that: (1) the implementation of the Proposed Action will not have significant environmental impacts; (2) the Proposed Action is in conformance with the Bishop Resource Management Plan of 1993 (RMP); and (3) the Proposed

Action does not constitute a major federal action having a significant effect on the human environment. Therefore, an environmental impact statement or a supplement to the existing RMP environmental impact statement is not necessary and will not be prepared.

This finding is based on my consideration of the Council on Environmental Quality's (CEQ) criteria for significance (40 CFR §1508.27), both with regard to the context and to the intensity of the impacts described in the EA or as articulated in the letters of comment.

Context

As described above and in the EA the proposed action occurs in a setting and context that has a long history of mining activity. The project area is located in the Bodie Hills of east central California at T. 5 N., R. 26 E., MDM, Sections 23, 24, 25 and 26, Dome Hill Quadrangle in Mono County (EA, Figure 1.1). The Bodie Hills comprise about 121,000 public land acres having private land inholdings. The Hills are a hydrothermally-altered andesitic and rhyolitic volcanic system. The elevation ranges between 6,500 to 10,200 feet. Vegetation is dominated by a mix of sagebrush/bitterbrush and mountain shrub communities interspersed with pinyon-juniper woodlands. Numerous drainages provide riparian, aspen, and wetlands habitat.

The project area is on the western edge of the Bodie WSA. The WSA totals about 16,400 acres of public land including 414 acres of private property. It was designated a WSA in 1980 and was later recommended in 1990 for return to multiple use (BLM 1990). The project has the potential to affect a maximum of 0.64 acres of the WSA at drill locations and a maximum 5.83 acres on or immediately adjacent to drill site access routes.

Intensity

I have considered the potential intensity/severity of the impacts anticipated from the Paramount Exploration decision relative to each of the ten areas suggested for consideration by the CEQ. With regard to each:

1. Impacts that may be both beneficial and adverse.

I have determined that there are no impacts as a result of the proposed action that would be significant at the local scale or cumulatively because of the small scale and temporary nature of the project. The project design features and required mitigation measures would also reduce resource and visual impacts to imperceptible levels.

Potential impacts include soil disturbance on 5.83 acres of existing access routes and soil disturbance and vegetation crushing and stem/branch breakage on 0.09 acres of previously impacted areas where drilling activities will take place. Within the 25 foot buffer zones delineated around each drill site, some trampling and woody branch breakage of vegetation would occur from human activity in this area.

Temporary impacts include drilling noise and diffuse light from night time operations, as well as greenhouse gas (GHG) emissions and dust due to vehicle traffic and core drilling. Noise and lighting may disturb and temporarily displace sage-grouse, but not on a level that would adversely effect the population in terms of their ability to use nearby areas or return to the area when drilling is complete. Noise and lighting would also temporarily affect the wilderness character of the WSA, but there would be no residual or long-term effect.

Visual impacts would occur, but are minimal due to the expansive geography in the area of the exploration operation which would subordinate the project features. The short term nature of the project assures impacts would be temporary.

GHG emissions results of the model conducted for the project predicted that all regulated GHGs are well below California and National Air Quality Standards (see EA, Table 3.2), and that impacts from GHGs are considered negligible.

The exploration drilling project would provide some benefit to the Mono County economy, primarily in Bridgeport, from dollars spent for lodging, meals and other services necessary for the drilling crews working in the project area. The drilling crew would consist of approximately 15 employees occupying hotels for approximately 45 days. Cougar Gold would hire approximately 10 people from the local community for temporary work.

2. The degree to which the proposed action affects public health and safety.

No aspects of the project have been identified as having the potential to significantly and adversely impact public health or safety. The project has been designed with additional mitigation measures such as maintaining safe speed limits, etc., to minimize the risk of the proposed operations to public health and safety.

3. Unique characteristics of the geographic area such as proximity of historic or cultural resources, park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas.

The project area is not within any designated Wilderness Area. However, it lies within the 16,814 acre Bodie WSA. Unnatural features are visible on a local basis, mostly mining features around the Paramount Mine area, but are small in magnitude in relation to the overall WSA size and topographic diversity. Unimproved vehicle routes, old mining prospects and associated surface disturbances are located in the WSA, again around the Paramount Mine area, with a cherry-stemmed road to Paramount Mine. Special features include the diversity of wildlife in the area.

In general, BLM is required to maintain the wilderness characteristics of each WSA until Congress decides whether it should either be designated as wilderness or released for other purposes. Lands under wilderness review must be managed so as not to impair their suitability for preservation as wilderness. The exception to this non-impairment standard is the continuation of existing mining uses in the same manner and degree as were being conducted on the date of FLPMA's approval (October 21, 1976). Instead, these activities are subject to prevention of unnecessary and undue degradation of the area. Minerals exploration activity existed in the project area at the time the Bodie WSA was designated by BLM in 1979-1980.

While minor vegetation and soil impacts will occur, the project will not significantly or irreversibly affect those characteristics of the WSA that could make it suitable for preservation as wilderness.

This action would not impair Congress's ability to designate the area as wilderness in the future. The area was designated as a WSA in a bio-physical condition that will be similar at the project's conclusion at the end of the season as it was in 1979-1980. There is no evidence, based on analysis in the EA, that the WSA conditions will be irreparably damaged from this proposal.

4. *The degree to which the effects on the quality of the human environment are likely to be highly controversial.*

No anticipated effects have been identified that are scientifically controversial. As a factor for determining within the meaning of 40 C.F.R. § 1508.27(b)(4) whether or not to prepare a detailed environmental impact statement, “controversy” is not equated with “the existence of opposition to a use” (*Northwest Environmental Defense Center v. Bonneville Power Administration*, 117 F.3d 1520, 1536 (9th Cir. 1997)). “The term ‘highly controversial’ refers to instances in which ‘a substantial dispute exists as to the size, nature, or effect of the major federal action rather than the mere existence of opposition to a use’” (*Hells Canyon Preservation Council v. Jacoby*, 9 F.Supp.2d 1216, 1242 (D. Or. 1998)).

5. *The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks.*

The analysis does not show that this action would involve any unique or unknown risks.

6. *The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration.*

Mining exploration is not a precedent setting in the area and has a long history at Paramount mine dating back to 1937. Any future application for minerals uses in the areas would require a separate NEPA analysis.

7. *Whether the action is related to other actions with individually insignificant but cumulatively significant impacts.*

No significant site specific or cumulative impacts have been identified. There are no other actions or proposed actions in the immediate area around the PA that would combine cumulatively with this action’s impacts. The project is consistent with the actions and impacts anticipated in the Bishop RMP, as amended.

8. *The degree to which the action may adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing in the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historic resources.*

The project area does not include any sites listed on the National Register of Historic Places (NRHP) but does include sites that may be eligible. There will be no adverse effect to any of the potentially NRHP eligible sites.

9. *The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act of 1973.*

There are no federally listed threatened or endangered species or designated critical habitats that occur in the project area. The action would have no effect on any federally listed species or designated critical habitat.

Greater Sage-grouse, a BLM Sensitive Species, is of specific concern and potential impacts have been closely analyzed in the EA. Mitigation has been developed to minimize any impacts including prohibiting project implementation until August 15th to reduce potential impacts to this species.

10. Whether the action threatens a violation of Federal, State, or local law or requirements imposed for the protection of the environment.

There is no indication that this decision will result in actions that will threaten such a violation.

/s/ F. Kirk Halford
F. Kirk Halford
Acting Field Manager
Bishop Field Office

July 14, 2009
Date