APPENDIX E

COMMENT LETTERS AND RESPONSES ON THE DEIS

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION VIII
999 18th STREET - SUITE 500
DENVER, COLORADO 80202-2466

MAR 30 1992

Ref: 8WM-EA

Jim Melton, EIS Coordinator
Bureau of Land Management
Casper District Office
1701 East E Street
Casper, Wyoming 82601

92 APR -2 AM 10:18

Re: Draft Environmental Impact Statement for the West Rocky Butte, Wyoming Coal Lease Application

Dear Mr. Melton:

In accordance with the responsibilities under the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act (CAA), the Region VIII Office of the Environmental Protection Agency (EPA) has reviewed the Draft Environmental Impact Statement (DEIS) for the West Rocky Butte Coal Lease Application. The following comments are offered for your consideration.

EPA commends the Bureau of Land Management (BLM) for the document's level of analysis, particularly in the area of cumulative environmental impacts. Considering the high level of existing coal mining activity in Wyoming's Powder River Basin (PRB), this type of analysis for the proposed mine is especially critical in order to avoid potential impacts.

Our comments focus on two areas, a proposed revision to the Wyoming State Implementation Plan (SIP) for ambient air quality standards and groundwater related issues. The SIP comments are provided to clarify the current status of this revision. Additionally, EPA has expressed concerns regarding protection of the project area's groundwater resources that should be addressed in the Final EIS.

Based on the procedures EPA uses to evaluate the adequacy of the information in the EIS and the environmental impacts of the proposed action and alternatives, the Draft Environmental Impact Statement (DEIS) for the West Rocky Butte Coal Lease Application will be listed in the Federal Register in category EC-2 (environmental concerns, insufficient information). This category indicates that EPA has identified areas of potential impacts, specifically concerning the preservation of groundwater quality, which should be avoided in order to fully protect the environment. Also, the EIS requires supplementary groundwater resource information in order to fully assess environmental impacts that should be avoided.

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If we may provide further explanation of our concerns, please contact Larry Kimmel of my staff at (303) 293-1697 / FTS 330-1697. For questions related to air quality and groundwater issues, please contact, respectively, Mike Silverstein at (303) 293-1754 / FTS 330-1754 and Bill Monheiser at (303) 294-1127 / FTS 330-1127. Enclosed are detailed comments discussing specific issues in the Draft EIS.

Sincerely,

Robert R. DeSpain

Robert R. DeSpain, Chief
Water Management Division
Environmental Assessment Branch

Enclosure

cc: Dennis Hemmer, Wyoming Department of Environmental Quality

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DETAILED COMMENTS BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY: THE DRAFT ENVIRONMENTAL IMPACT STATEMENT FOR THE WEST ROCKY BUTTE, WYOMING COAL LEASE APPLICATION

1 o Air Quality

EPA Region VIII has been closely tracking surface coal mining activities in the Powder River Basin (PRB) with respect to air quality issues. EPA has classified surface coal mines as "minor sources" under the federal Prevention of Significant Deterioration (PSD) regulations and, thus, only State minor source permits are required for air quality. However, a revision to Wyoming's State Implemenation Plan (SIP) has been submitted to EPA which will impact the Rocky Butte mine. This revision regards ambient air quality standards for PM_{10} as opposed to the specific PSD-related revisions cited in the DEIS (page 3-28). EPA approved the EIS-referenced SIP revision on May 24, 1991, but is still currently processing the ambient air SIP revision.

The ambient air SIP revision revises the State's definition of "ambient air" for the PRB only, allowing the coal mining companies to restrict public access from portions of each lease that are determined to be necessary for coal mining operations. Only lands outside of these restricted areas are subject to ambient air quality standards. Region VIII is in the process of proposing to approve this revision with conditions. These conditions include: 1) develop and operate a maximum concentration monitor for each active mining area in the PRB to adequately assess the ambient air quality, with a commitment by the State to initiate expeditious remedial action if the violation of the National Ambient Air Quality Standards (NAAQS) is detected by the monitoring network; and 2) once EPA completes an assessment and possible improvement of the existing modeling tools, the State must perform the 30-year modeling study utilizing EPA-approved modeling tools and to initiate expeditious remedial action if the modeling predicts exceedances of the applicable ambient air quality standards.

EPA is in final negotiations with the State Air Quality Division (AQD) regarding the establishment of the maximum concentration monitoring network. Because these conditions are part of EPA's SIP approval, the Final EIS should reflect adherance to all SIP conditions described above.

2 o Groundwater

Page 4-11: The description of the sub-coal Tullock member is incomplete. The characteristics for all aquifers should be included (water table aquifer, coal aquifer, and sub-coal aquifers). The discussion should include hydraulic

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characteristics as well as the presence of aquifer confinement and upward / downward vertical gradients.

3 Page 4-15: The document should discuss the mechanism for compensation of an impacted well owner if the owner has not obtained a pre-mining well characterization.

4 Page 4-15, paragraph 3: The EIS notes that the mining pit will act as a "big well" during mining, resulting in water flow toward the pit. What method will be used for disposition of accumulated water? In addition, what procedures are planned to handle water, in excess of process water requirements, from large storm events? The Final EIS should also discuss the mine's protection mechanisms to prevent aquifer infiltration by low quality water from ponds and ditches used to collect and transfer process water and water derived from sedimentation ponds.

5 Page 4-15, paragraph 4: The EIS notes that groundwater wells located within the mining area will be eliminated by mining activities. The Final EIS should discuss the plug and abandonment requirements for the wells to be eliminated. It should also be noted that aquifers containing less than 10,000 mg/l total dissolved solids (TDS) are considered as potential future sources for drinking water. Will wells eliminated by mining activities be replaced in the near-term or post reclamation?

6 Page 4-15, paragraph 5: What will be the impacts to the regional groundwater system from the salt-contaminated water originating in the spoils? Could this result in a salt plume migrating within the groundwater flow system?

7 Page 6-10: What is the potential for water trapped within the spoil aquifer to eventually re-enter the regional flow pattern? What impact to water quality in the flow system could be expected?

8 Page 6-13, paragraph 7: What mitigation steps will be practiced to prevent pit inflows, sediment-control pond waters and dewatering waters from infiltrating the sub-coal aquifer? How will the confining (and protecting) layer over the Tullock member aquifer be protected from breaching by overburden removal and mining activities?

9 Page 6-14, paragraph 2: What are the water quality impacts of vertical leakance and recharge on the Tullock member from the spoil aquifer following reclamation?

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CASPER BLM
MAR 27 '92
DM ___ MN ___
ADM ___ FL ___
PA ___ SL ___
AD ___ GRA ___
DPR ___ NRA ___
LRR ___ PRA ___
RGR ___ Lead Rcvp ___

MIKE SULLIVAN
GOVERNOR

STATE OF WYOMING
OFFICE OF THE GOVERNOR
CHEYENNE 82002

March 24, 1992

Mr. James W. Monroe
BLM Casper District Office
1701 East "E" Street
Casper, WY 82601

Dear Tim:

Agencies of the State of Wyoming have reviewed the Draft Environmental Impact Statement (DEIS) for the West Rocky Butte Coal Lease Application. Enclosed for your consideration and use are comments resulting from that review.

The Wyoming Game and Fish Department (WGFD) has commented on the adequacy of the state shrub reclamation standard and on access needs for big game harvest in the mine area. These comments are similar to concerns that WGFD raised in their comment letter on the Environmental Assessment for the West Black Thunder Coal Lease Application. I refer you to my December 4 letter to you for my positions on these two matters.

The Office of Industrial Siting Administration has raised concerns about the availability of housing in the Gillette area to accommodate increased numbers of workers. I concur with their suggestion that this topic should receive further analysis in the final EIS.

Alan Edwards had provided comments relative to the leasing process and to the DEIS. The comments and questions address basic issues that the BLM should consider as part of the final EIS. You should know that as it relates to the State position and Alan Edwards' comments, they should not be taken as contrary to the opening of a new mine. Personally and as a representative of the State, I would encourage the opening of a new mine to enhance economic activity, state revenues and western coal competition. I am mindful, however, that we have an obligation to assure a credible and defensible leasing system and that leasing decisions must be addressed on their individual merits and overall impacts on the leasing system to assure the ongoing integrity of that system. It is primarily these matters which Alan's memo highlights.

Mr. James W. Monroe
March 24, 1992
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The State of Wyoming appreciates this opportunity to provide comments on this DEIS. Please continue to keep this office informed as to further developments.

With best regards, I am

Very truly yours,

Mike Sullivan

MS/rms

cc: State Review Agencies
Ray Brubaker, BLM State Director

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STATE OF WYOMING
OFFICE OF THE GOVERNOR
CHEYENNE 82002

MIKE SULLIVAN
GOVERNOR

MEMORANDUM

TO: Governor Sullivan

FROM: G. Alan Edwards, Natural Resource Analyst

DATE: March 24, 1992

SUBJECT: West Rocky Butte Coal Lease - EIS Review Comments

The Environmental Impact Statement for the West Rocky Butte coal lease application has been circulated for state agency review. The state agencies have provided their comments as relating to their statutory authority. The proposed West Rocky Butte lease represents a new mine start. The potential impacts of a new mine start have resulted in the decision to prepare an environmental impact statement for the proposed lease. Due to the significance of the proposed action, the environmental document was also reviewed to address some of the more general issues regarding the proposed lease that were not covered as part of the state agency reviews.

My comments and questions included here are related most specifically to the leasing process itself because I am sensitive to your ongoing concerns that we have a defensible and credible leasing process. These relate to the production potential of the mine as proposed and the need to lease the coal as proposed. Since these questions affect any final decision to lease the West Rocky Butte tract as included in the application, they should be raised as part of the review of the document that presents the material. This information is presented both in the form of comments and questions regarding the proposal in general and in the form of comments relative to information specifically included in the EIS.

1a The EIS focuses on the need to lease the West Rocky Butte tract to open a new mine on this property. Clarification should be provided about whether this need is a result of physical factors such as the need for the additional coal or if it is solely needed to satisfy a legal requirement. It is clearly stated that the new tract is needed to satisfy a deadline which is faced by the applicant. That deadline is the need to lease additional coal and create a new logical mining unit (LMU) to preserve the existing Rocky Butte tract. That tract includes 4,910 acres and 575 million tons of coal. The coal under application, by comparison, would add 390 acres and 50 million tons of federal coal. The major reserves in question are, therefore, those in the Rocky Butte tract. The need to lease the coal is, therefore, perceived to be driven more by the need to meet only a legal requirement than an actual need for the additional coal reserves.

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1b Table 6-5 highlights this point. Information in that table would indicate that the mine size and annual production rates are essentially the same. One of the major differences is in the mine life (i.e. 30 years as compared to 42 years for this proposal). It would appear, therefore, that the Rocky Butte tract is capable of satisfying the needs for a new mine.

1c The question that arises is whether or not the coal under application is physically required for a new mine operation. If the coal is not physically necessary to accommodate a new mine on the Rocky Butte tract, should the EIS address the relative impacts if the new mine were placed on the Rocky Butte tract only? Under this scenario (that is, if the impacts of the new mining activities occur on the Rocky Butte tract only) would the overall impacts of the new mine start be reduced from the option considered under the EIS? In any event, it should be clarified if the coal lease under application is necessary to satisfy physical or legal requirements.

2 Questions have been raised during the public review of the EIS about the ability to produce and sell coal at the production levels proposed for the mine. The proposal identifies a production of 8 million tons per year by 1995 and 16 million tons per year by the year 2000. The questions have been relative to the market demand for the additional coal. Some projections have been made regarding the production increases that will occur in the West. The Department of Energy has predicted that coal production will increase by 32 million tons between the years 1990 and 1995. The production increase predicted between 1995 and 2000 is 12 million tons. The 12 million tons would be for the period of time for which the mine would begin operations. The DOE projection is actually for the Northern Great Plains region which includes North Dakota, Montana, and Wyoming. By contrast, DRI/McGraw-Hill projects that coal production for the entire Powder River Basin will increase by 16.8 million tons between 1995 and 2000. In either case, the projected mine production could be difficult to achieve based upon projections for the Basin.

3 It could be commented that the risk of being able to find a market rests with the company that invests in the coal. This is true, of course. The question that arises, though, is the same question that was identified above. Is the additional coal covered in the application necessary to meet a market need or would the Rocky Butte tract have sufficient quantity and quality of coal to meet any conceivable market demand? This is apparently the thrust of the comment on page 2-4 that "in actuality, coal production rates would be dictated by market conditions." It is stated on page 1-4 that the proposed production from the mine "is not consistent with the published demand forecasts for the PRB." Is there a market forecast that could bring clarity to this issue?

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Specific questions relative to the EIS are as follows:

1. The EIS identifies on page 2-1 that the second alternative which would be the rejection of the lease application is assumed to result in the expiration of the Rocky Butte lease and, therefore, no new mine start at this time. Could BLM offer the Rocky Butte lease for sale at a later date if the current Rocky Butte lease expires and if so, would it require an industry application to do so?

2. Section 2.2 states that the "mine plan is tentative and may undergo substantial revision during review of the mine permit by the Wyoming DEQ/LQD." Is there an understanding of what substantial means in this circumstance? Would substantial revisions represent a change in the impacts assessed in the EIS or would the permit review process be able to adequately address substantial revisions?

3. It is stated on page 2-4 that adding the coal in the West Rocky Butte tract "avoids bypassing this significant tonnage" of low strip ratio, high quality, compliance coal. Does a bypass potential actually exist? Would the quality and quantity of the coal make it sufficiently attractive that it would be competitive as a lease modification?

4. Equipment and employment requirements are presented in Section 2. In some categories of equipment and employment, fairly significant fluctuations occur. Are fluctuations such as presented common for coal mine operations?

5. Section 2.4 states that one alternative considered was delaying the lease sale which would result in the expiration of the Rocky Butte lease. The coal in the Rocky Butte lease and the West Rocky Butte tract could be offered for sale at a later date. It is stated that under this alternative, "other than possibly receiving an additional lease bonus if the Rocky Butte tract is leased again, there is no significant difference between this alternative and the Proposed Action." This comment does not appear to be consistent with the analysis provided in Section 4. The analysis in that Section is based upon the assumption that the no action alternative (i.e. rejection of the lease application) would result in no new mine start at this time. As stated in Section 4, there would be "negative impact" as a result of the no action alternative for the listed socioeconomic factors. This would basically be a result of the lost production revenues. If, however, the Rocky Butte tract can be offered for sale at a later date (if the current lease expires), there could still be a new mine on the property. The information in Section 2.4 would indicate that a new mine start could occur in either case. If this is so, is it correct to note in Section 4 that the no action alternative results in a negative socioeconomic impact?

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6. Information is provided in Section 6.12 that cumulative air "impacts tend to occur only when the actual mine activities are within about 10 miles of each other." How does this comment relate to the information provided in Section 4.1.10 on air quality where the impacts of the Proposed Action and the adjacent Caballo Mine are considered?

7. Section 6.17.2 states that the expansion of the Black Hills Power and Light generating station will begin in 1994. This is identified as the final year of construction for the new mine under the Proposed Action. Will there be cumulative construction impacts?

The above comments and questions are not intended to be critical of the proposed new mine. They are simply intended to help identify issues that should be addressed as part of the review process to determine if the Proposed Action is clearly identified and potential impacts, both negative and positive, addressed.

aes

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DIVISION OF PARKS
& CULTURAL RESOURCES

Wyoming
Department of Commerce

State Historic Preservation Office
1825 Carey Avenue
Cheyenne, Wyoming 82002-0240
(307) 777-7697
FAX (307) 632-2748

March 5, 1992

MAR 13 1992

Wyoming State Clearinghouse
ATTN: Rich Lindsay
State Planning Coordinator's Office
Herschler Building, 4th Floor East
Cheyenne, Wyoming 82002

RE: Rocky Butte Mine Draft Environmental Impact Statement, SHPO #0190JAK017

Dear Mr. Lindsay:

Richard Bryant of our staff has received information concerning the aforementioned project. Thank you for giving us the opportunity to comment.

The Draft Environmental Impact Statement (DEIS) adequately describes the activities conducted to identify and protect cultural resources. Although several surveys have been conducted in the mine area, it is not clear if the entire area has been covered. This should be clarified in the final Environmental Impact Statement (EIS). The level of documentation of cultural resources in this EIS is beyond the usual and we appreciate the effort expended. Although the documentation meets the requirements of the National Environmental Protection Act, we still need to review the original survey and site evaluation reports for the mine area before we can determine if that documentation meets the requirements of Section 106 of the National Historic Preservation Act and 36CFR800.

Other than the clarification of the area surveyed, we have no recommendations for changes or additions to the DEIS.

Please refer to SHPO project control number #0190JAK017 on any future correspondence dealing with this project. If you have any questions contact Mr. Bryant at 777-6292.

Sincerely,

Gary Stephenson
Director
Administrative Services

FOR:
Dave Kathka, Ph.D.
State Historic Preservation Officer

cc: Bureau of Land Management, Casper District

Mike Sullivan
Governor

R.D. "Max" Maxfield
Director,
Department of Commerce

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WYOMING
GAME AND FISH DEPARTMENT

March 2, 1992

EIS 6608
U.S. Department of the Interior
Bureau of Land Management
Casper District Office
Draft West Rocky Butte Coal
Lease Application
Environmental Impact Statement
SIN: 91-089
Campbell County

ROD MILLER
STATE PLANNING COORDINATOR'S OFFICE
HERSCHLER BUILDING, 4TH FLOOR EAST
CHEYENNE, WY 82002

Dear Mr. Miller:

The staff of the Wyoming Game and Fish Department has reviewed the draft environmental impact statement for West Rocky Butte. We offer the following comments for your consideration.

Terrestrial Considerations:

The preferred alternative is to lease the West Tract (393.0 acres) along with an additional isolated tract (Option A -- 70.4 acres) to facilitate maximum economic recovery of the coal deposit. The tracts will be added to the existing Rocky Butte Lease (4910.0 acres) to create a "logical mining unit." The total permit area for this mine will be 9647 acres and the affected area will be 7333 acres, thus becoming one of the larger operations in the Powder River Basin. Mining will commence in 1993 and terminate in 2034. The lease will be treated as a coal maintenance tract in accordance with "lease by application" procedures, pursuant to decertification of the Powder River Basin Coal Production Region. We previously commented on a BLM scoping statement (October 30, 1991) and a "preliminary" DEIS (December 13, 1991).

We are disappointed that this DEIS concentrates more on discounting the significance of impacts than in presenting an objective analysis. There are serious problems with reclamation technology in the Powder River Basin that need to be resolved. This document should spell out trade-offs - loss of habitat for big game and sage grouse for many years, and changes in habitat diversity. After reviewing this DEIS and our comments from previous correspondence, we have identified the following concerns:

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1) RE: Protection of Riparian Vegetation (Page 3-4). While it may be true that riparian vegetation associated with livestock reservoirs is a jurisdictional wetland type, such areas are protected under the surface coal mining regulations [See 30 CFR 816.97(f)]. This distinction should be made in the text.

2) RE: Topographic Moderation (Page 4-5). The preparer attempts to dismiss the impact of topographic moderation by suggesting increased infiltration and decreased erosion will be benefits. Perhaps, but adverse impacts should also be summarized. These include loss of wildlife habitat and reduction of vegetation diversity.

3) RE: Vegetation Impacts (Page 4-8). The preparer suggests that long term vegetation impacts will be negligible because the operator will be required to meet State revegetation standards. This conclusion is incorrect because: a) The state has no mandatory shrub standard -- only a goal; meeting the goal will restore only 6 percent of the pre-mine shrub density on native surfaces and the species composition will be altered. This is a major, long term impact; and b) Reduction in topographic diversity and mixing of soil types and horizons will result in a long-term reduction in plant community diversity. These effects should be discussed in the DEIS.

4) RE: Habitat Diversity (Page 4-16). The statement, "Additionally, topographic moderation may reduce habitat diversity should be changed to "...will reduce habitat diversity."

5) RE: Impacts to Antelope (Page 4-16). Virtually the entire surface to be affected by this operation is winter/yearlong antelope range. Reduction in topographic diversity and loss of the shrub (sagebrush) component will permanently convert this to summer range. This impact is considered major, long term — not minor as suggested by the preparer.

6) RE: Impacts to Sage Grouse (Page 4-17). The preparer insists lek disturbance is the most serious impact to sage grouse. While this is a concern, the more serious impact will be long term removal of sagebrush cover and riparian brood rearing habitats. The reader suggests impacts attributed to sagebrush removal will only be "moderate" and persist until sagebrush is reestablished. The amount of sagebrush that will be restored under the current shrub standard is only a small fraction of the cover and density necessary to support sage grouse. Use of reclaimed surfaces by sage grouse will be completely eliminated for a very long period of time. The preparer should acknowledge this impact and provide an estimate of the time likely to elapse until adequate sagebrush densities develop from the initial colonization at the time of bond release. Considering the allowance for substitution of other shrub species under the current shrub standard, it is likely that initial

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sagebrush densities will be on the order of 0.5 to 2 percent of premine densities. This is consistent with what has been observed on current mine reclamation.

7) RE: Restoration of Pre-Mine Habitat Value (Page 4-19). In the Recreation section, the preparer dismisses potential impacts to recreational use on the basis that, "postmining reclamation would restore wildlife habitat to premining conditions." While this is an objective stated in the LQD regulations, it is not achievable at this time. Reduction in topographic diversity and loss of the shrub component preclude restoration of commensurate habitat conditions. In addition, technologies for restoring various wetland types such as playas and subirrigated riparian zones are untested. The reader should not be misled by suggestions that commensurate habitat restoration is possible under current technologies and legal constraints.

8) RE: Cumulative Wildlife Impacts (Section 6.9). The preparer attempts to dismiss the significance of cumulative impacts using the "incremental approach." In other words, the preparer expresses losses as minor percentages of the overall availability of the resource. This approach is flawed, because it does not include the incremental contributions of all impact sources in the present and foreseeable future. This would include industrial, urban, transportation, agricultural, and any other cultural activities. Downplaying the significance of small incremental fractions chips away at resources in unnoticeable fragments, ultimately resulting in a serious compromise of the resource while avoiding opposition. It is not a true cumulative analysis.

9) RE: Cumulative Impacts to Antelope (Tables 4-2 and 6-8, Section 6.9). Aside from the problem stated above, the applicant's analysis of cumulative impacts to antelope is misleading. Tables 4-2 and 6-8 suggest only 6.6 percent of occupied pronghorn habitat will be affected by mining in the Hilight Herd Unit. Mines in this herd unit tend to be situated proportionately more within winter/yearlong habitat than other types. Virtually all disturbances associated with Rocky Butte Mine will be within winter/yearlong range. Extensive winter/yearlong habitat alterations can have a far greater impact on carrying capacity than disturbances within yearlong habitat. In 1986, we determined approved mine permits would collectively affect 22 percent of the available winter/yearlong habitat within the Hilight Herd Unit. If the Rocky Butte affected area is added to this figure the proportion increases to 25 percent. The potential consequences of converting this much winter/yearlong habitat to summer range should be discussed.

10) RE: Hunting Access (Sections 4.1.7 and 4.1.9). In our comments on both the scoping statement and the preliminary DEIS, we discussed concerns with eliminating big game harvest on the permit area. This has not been addressed in the DEIS. Consequently, the comment is repeated below:

Mr. Rod Miller
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The Rocky Butte Coal Lease is situated within the Highlight Antelope Unit, which has been chronically under harvested. Only 3 percent of the occupied habitat is accessible public land. High trespass fees and hunting closures on mine lands make it difficult to maintain herd population objectives through sport hunting. The 1991 post season population estimate of 12,000 antelope places the herd 1,000 animals over objective. Continued inability to control growth of this population will eventually result in a large winter die-off, similar to that which occurred in winter of 1983 - 1984. This problem will be aggravated as mining converts available winter habitat to summer range and as additional fencing is constructed. From a management standpoint, this is highly undesirable.

There are currently eight coal mines operating within the Highlight Herd Unit which account for 12 percent of the occupied habitat. Ten additional sections of land associated with the Rocky Butte Mine could potentially be withdrawn from rifle hunting. Closed surfaces become refuges which draw additional animals from surrounding areas where they might otherwise be accessible to hunters. Landowner coupon redemptions indicate past hunting on the Rocky Butte Tract has accounted for 6 percent of the annual harvest in Herd Unit 24. To alleviate the cumulative impact of hunting closures, we recommend the following mitigation procedures:

a) Hunting should be allowed within the Rocky Butte permit area throughout the life of the operation. Only the minimum area necessary for safety considerations should be closed.

b) The coal company, in cooperation with the BLM, USFS, and WGFD, should lease additional lands within Hunt Area 24 to facilitate public access. Easements across private surfaces to previously inaccessible public lands should be given priority.

11) RE: Effect of Topographic Moderation (Sections 4.1.2, 4.1.4, 4.1.7, 6.4, 6.6, and 6.9). In our comments on the preliminary DEIS, we requested the preparers to discuss local and cumulative effects of topographic moderation on bio-diversity and big game carrying capacity. This has not been addressed in the DEIS. Consequently, the comment is repeated below:

Because of the unconsolidated nature of replaced overburden material and thin overburden conditions, it will not be possible to restore topographic diversity on reclaimed surfaces. Steep regraded slopes are not erosionally stable. Furthermore, topography must be flattened considerably to conserve enough material that through drainage may be restored. The net result is reduction of habitat diversity leading to loss of biological diversity. Big game winter range is also converted to summer range because exposed slopes which support accessible forage are permanently removed. This is one of the permanent, adverse impacts of mining that has been never been adequately acknowledged or addressed

Mr. Rod Miller
March 2, 1992
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in previous EIS's, yet the effect is visibly apparent on existing mines. The local and cumulative effects topographic moderation will have on biological diversity and big game carrying capacity should be discussed.

12) RE: Feasibility of Shrub Reclamation (Sections 4.1.4, 4.1.7, 6.6, and 6.9). In our comments on the preliminary DEIS, we requested the preparers to discuss feasibility of shrub reclamation along with effects on bio-diversity and big game carrying capacity. This has not been addressed in the DEIS. Consequently, the comment is repeated below:

The document dismisses the impact of shrub removal, suggesting it will be temporary and only persist for the duration of mining and the bond period. To date, no one has developed reliable technologies for reclaiming native shrub species. Furthermore, neither the existing nor proposed State shrub standards are adequate to restore sage grouse habitat or forage requirements of wintering big game. This is another serious, negative impact of mining that has been never been adequately acknowledged or addressed in previous EIS's, yet the effect is visibly apparent on existing mines. At best, the impact of shrub removal will be very long term, perhaps considered permanent within the regulatory framework. The local and cumulative effects sagebrush elimination will have on sage grouse habitat, wintering big game, and overall biological diversity should be discussed. Also, the likelihood shrub reclamation methods and regulatory performance standards will evolve expeditiously, to correct this problem before substantial areas are reclaimed to unsuitable conditions should be discussed.

Aquatic Considerations:

Several of our recommendations that were offered on the preliminary draft were either ignored or not addressed. Specifically there is still no documentation of existing fisheries in any of the ponds presently found within the project area (comment 3). Likewise, the draft does not address the potential importance of recreation in the future and the role that the project could play in addressing this issue (comment 2). We are also concerned that the draft EIS has not addressed potential water management options that we discussed in comments 4 and 5 in terms of wetlands mitigation.

These are important issues that should be addressed by the final EIS in order to provide an objective analysis of all potential impacts and mitigation strategies. Identification of real issues and solutions at the present stage of the project could not only increase the project's feasibility, but could result in significant public benefits in the future.

Mr. Rod Miller
March 2, 1992
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Thank you for the opportunity to comment.

Sincerely,

JOE WHITE
DEPUTY DIRECTOR

JW:TC:as
cc: Game Division
Fish Division
HAIS Division
USFWS

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THE STATE OF WYOMING

EXECUTIVE DEPARTMENT

FEB 28 1992

MIKE SULLIVAN
GOVERNOR

Office of Industrial Siting Administration

1ST FLOOR EAST HERSCHLER BUILDING CHEYENNE, WYOMING 82002 TELEPHONE: 307-777-7368
FAX: 307-777-6937

MEMORANDUM

TO: Rod Miller, Federal Lands Management Coordinator

FROM: Jay A. Meyer, Senior Economist

DATE: February 27, 1992

SUBJECT: Draft EIS for West Rocky Butte Coal Lease Application (SIN 91-089)

I have reviewed the Draft EIS for the West Rocky Butte Coal Lease Application. I am somewhat concerned that the potential for adverse impacts to the Gillette housing market is significantly understated in the Draft EIS. The vacancy rate in the City of Gillette in September 1991 was only 6%. According to the Draft EIS, the potential number of households which may migrate into Gillette resulting directly and indirectly from the Rocky Butte project alone is 446 in 1994. This number of households would fill every vacant mobile home (not vacant spaces), single and multi-family dwelling in Gillette (in the September 1991 housing survey). When the estimated population impacts of the new BHP&L Power Plant and the Dry Fork Mine expansion are added to the estimated Rocky Butte population impacts, the only reasonable conclusion is that a shortage of housing in the Gillette area is quite likely.

The conclusion on page 4-29 that almost all operations workers would be hired from among existing residents in the Gillette area seems to be overly optimistic. Also, the projected residence patterns for Rocky Butte Mine are not consistent with those of the nearby Rawhide, Caballo, and Belle Ayr Mines. I would anticipate the percentage of Rocky Butte employees who would choose to locate in Gillette to be slightly higher than the average of 81% for the other three mines but probably not as high as 90%. Overall, I would expect the residence patterns of Rocky Butte employees to more closely resemble those of Rawhide, Caballo, and Belle Ayr. It might be reasonable to include the town of Moorcroft in the area of socioeconomic influence.

I would agree that the population projections presented on page 4-30 indicate a worst-case scenario for the Rocky Butte Mine. However, when the cumulative impacts of all three potential projects are considered, they may be relatively close or even low in the early years.

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The cumulative population and employment projections presented in Section 6.17.5 appear to be quite high. While the projects referred to in this section are likely to have an impact on the baseline population and employment projections of the Wyoming Department of Administration, I question the magnitude of the difference. Also, on page 6-23 of the Draft EIS, it is estimated that about 195 housing units should be added annually through the year 2000 to maintain an adequate housing stock. No mention is made regarding how this is to be accomplished. I would agree that the local housing industry will have to respond to projected shortages with sufficient lead time. The question of how this can be accomplished should be addressed in the EIS.

JAM

7

THE STATE OF WYOMING

FEB 06 1992

MIKE SULLIVAN
GOVERNOR

Public Service Commission

700 W. 21ST STREET (307) 777-7427 FAX (307) 777-5700 CHEYENNE, WYOMING 82002

BIL TUCKER
CHAIRMAN
JOHN R. "DICK" SMYTH
DEPUTY CHAIRMAN
STEVE ELLENBECKER
COMMISSIONER

ALEX J. EUOPULOS
CHIEF COUNSEL AND
COMMISSION SECRETARY
STEPHEN G. OXLEY
ADMINISTRATOR

MEMORANDUM

TO: MR. ROD MILLER
FEDERAL LANDS COORDINATOR
STATE PLANNING COORDINATOR'S OFFICE

FROM: JON F. JACQUOT
CHIEF ENGINEER
PUBLIC SERVICE COMMISSION

DATE: FEBRUARY 6, 1992

RE: ENVIRONMENTAL IMPACT STATEMENT FOR THE WEST ROCKY BUTTE COAL LEASE APPLICATON, STATE IDENTIFIER NO. 91-089

Thank you for the opportunity to comment on this matter. The Commission requests that, when coal leasing is being done, the costs of relocating any utility and pipeline facilities to accommodate coal production be borne by the lessee. If these costs are not borne by the lessee, those costs would fall unfairly on the general rate paying public.

The Commission requests that, when coal leasing is being done, the costs of relocating any utility and pipeline facilities to accommodate coal production be borne by the lessee. If these costs are not borne by the lessee, those costs would fall unfairly on the general rate paying public.

If you should have any questions regarding this matter, please let me know.

mj

8

FEB 27 1992

THE STATE OF WYOMING

MIKE SULLIVAN
GOVERNOR

GORDON W. FASSETT
STATE ENGINEER

State Engineer's Office

HERSCHLER BUILDING 4-E
(307) 777-7354

CHEYENNE, WYOMING 82002-0370
FAX (307) 777-5451

MEMORANDUM

TO: Rod Miller, SPC

FROM: Sue Lowry, Interstate Streams Engineer Sue L

DATE: February 27, 1992

RE: draft West Rocky Butte Coal Lease Application
Environmental Assessment SPC ID# 91-089

No further permit activity regarding this proposed mine has been received by this office beyond those described in an October 16, 1991 letter from Phil Velez to you. I am attaching a copy of that letter for your reference.

The EA describes the surface and groundwater resources of the area, and on page 4-9 makes reference to a 1963 Board of Control tabulation of adjudicated rights. The published tabulation of adjudicated rights in each of our 4 water divisions is updated approximately every 5 years. I would suggest that the authors of the EA should obtain a more current listing of the adjudicated water rights for the tributaries of concern.

Please contact me if you have any questions.

cc: John Barnes
Phil Velez

9

THE STATE OF WYOMING

MIKE SULLIVAN
GOVERNOR

GORDON W. FASSETT
STATE ENGINEER

State Engineer's Office

HERSCHLER BUILDING 4-E
(307) 777-7354

CHEYENNE, WYOMING 82002-0370
FAX (307) 777-5451

MEMORANDUM

TO: Rod S. Miller, Federal Lands Planning Coordinator

FROM: Phillip A. Velez, Senior Analyst PAV

DATE: October 16, 1991

SUBJECT: Western Energy/Rocky Butte Mine

As of this date, we have received no new applications for permits for any facilities associated with the referenced project. As you may be aware, in 1982, we did authorize several reservoir permits associated with Texas Energy Services, Inc. for a new mine in this area. On March 11, 1987, those permits were canceled per Statute since we received no response to our expiration notice. According to our records, on February 19, 1988, Mr. Dee Williamson of Kaneb Services, Inc., Houston, Texas, telephoned this office and advised us that new permits would be obtained in the future.

For future contact in this regard, our contact person for ground water (wells) matters is Mike Penz. For surface water matters, please contact me.

Thank you.

cc: John R. Barnes
Administrator, Surface Water and Engineering

Mike Penz
Ground Water Analyst

10

OFFICE OF
CAMPBELL COUNTY COMMISSIONERS
500 S. Gillette Avenue, Suite 212
Gillette, Wyoming 82716
(307) 682-7283
(307) 687-6325 FAX

March 9, 1992

CASPER FILM
MAR 11 '92
DM ___ MH ___
ADM ___ FL ___
DA ___ SL ___
AD ___ BRA ___
GPR ___ NRA ___
LRR ___ PRA ___
RGR ___ Lead Resp

Bureau of Land Management
Casper District Office
1701 East "E" Street
Casper, Wyoming 82601

ATTENTION: Jim Melton, EIS Coordinator

Dear Mr. Melton:

In review of the Draft Environmental Impact Statement for the West Rocky Butte Coal Lease Application, the Campbell County Board of Commissioners is in support of the Northwestern Resources Company efforts to develop this project.

The Board has received comments regarding water usage and development in conjunction with this application and existing mining activity in the Power River Basin, the Board believes that the EIS for the West Rocky Butte application adequately addresses these issues.

The continued growth of the mineral and mining industry is extremely important to the sustenance of Campbell County and the State of Wyoming. The impact of the mining industry on Campbell County has been quite beneficial and positive to our citizens. We look forward to a similar relationship with Northwestern Resources Company.

On behalf of the Board of Commissioners, I encourage the Bureau of Land Management to approve the West Rocky Butte Coal Lease Application WYW 122586.

Sincerely,

CAMPBELL COUNTY BOARD OF COMMISSIONERS

Stanley S. Sheehan

Stanley S. Sheehan, Chairman

The Mission Of Campbell County Is To Provide, Through Sound Decision Making, Fiscal Responsibility And The Best Quality Of Basic Services For All Campbell County Residents.

11

CITY OF GILLETTE
P. O. BOX 3003 • GILLETTE, WYOMING 82717-3003
PHONE (307) 686-5200

March 5, 1992

Mr. Jim Melton
EIS Coordinator
1701 East E Street
Casper, WY 82601

Dear Mr. Melton:

The purpose of this letter is to respond to the Draft Environmental Impact Statement for the West Rocky Butte Coal Lease Application proposed near Gillette.

Let me say first that the City of Gillette generally supports this project and we feel that an additional large mine in the area would enhance our economic future. We realize that this is the first step in a lengthy permitting process and many of the potential opportunities and issues raised by the project will be more thoroughly analyzed as the project proceeds.

We feel that continued coal leasing within the Powder River Basin is important to our future.

Our staff has reviewed the EIS and we have a number of specific comments and questions regarding the Socio-Economic impacts of the project. These specific questions and comments will be transmitted directly in writing prior to the March 16th deadline and should be considered in the Final EIS as well as future permitting applications.

We look forward to working in cooperation with Northwestern Resources as well as the permitting agencies in making this project a reality. Thank you for the opportunity to comment.

Sincerely,

E. J. Collins
Mayor

DS/EJC/b

ds:92.029

12

CITY OF GILLETTE
P. O. BOX 3003 • GILLETTE, WYOMING 82717-3003
PHONE (307) 686-5200

March 6, 1992

Mr. Jim Melton
EIS Coordinator
1701 East E. Street
Casper, WY 82601

Dear Mr. Melton:

Attached to this letter is a detailed compilation of comments received from various City departments on the West Rocky Butte Coal Lease (Draft) EIS.

Based on these staff comments there are a number of areas which need further analysis in order to allow the City to plan for and react to the impacts of this project.

The general staff reaction is that given this adequate information and lead time the community can accommodate this project without severely impacting the quality of life for our citizens.

We feel that the leasing process should move forward and that these questions and comments can be addressed in the further permitting of the mine especially the Industrial Siting Application.

Please incorporate our questions and concerns into the process. If you have any questions you may contact myself or any of the contact people listed in the comment section and we would be happy to provide further clarification.

Thank you for the opportunity to comment.

Sincerely,

John C. Darrington
City Administrator

DS/JCD/b

ds:92.039

Summary of Staff Comments

West Rocky Butte Coal Lease Application
Environmental Impact Statement

by: David Spencer, Director
Department of Community Development

City of Gillette, Wyoming
P. O. Box 3003
Gillette, Wyoming 82717

Introduction

The following is a compilation of City staff comments received regarding the draft EIS for the Rocky Butte Mine. The comments are divided into four categories which include Public Works/Utilities; Police; Finance; and Planning. At the end of each section, a contact person (or persons) are listed who can provide more information on the comment.

At the end of the compilation is a summary of staff perceptions of the project which will be useful in determining how the comments should be incorporated into the final EIS.

Public Works/Utilities

1) Section 3.5.2 - Groundwater

a) Page 3-1 paragraph 8

A number of large outlying subdivisions containing several hundred lots, such as Sleepy Hollow, Antelope Valley, Crestview Estates, etc., rely on wells in the Fort Union aquifer which could be affected by this project.

2) 3. 15. 2 - Economic Characteristics

Page 3-42 Table 3-2

Comment on large change in Services and Public Administration sectors from 1985 to 1989. Is this an error in the table?

3) 3. 15. 3 - Overview of Infrastructure and Public Sector Fiscal Conditions

Page 3-45 paragraph 2

Sewer, electric, solid waste and water service is provided by the Department of Utilities not Public Works.

Summary of Staff Comments
West Rocky Butte EIS
Page 2

The characterization of a "limited" number of Gillette households served by domestic water associations is incorrect. The number is somewhere between 1500 and 2000 of a total of 7300.

There also are several thousand more households right outside the City limits. Upon meeting policy guidelines, these areas would receive priority in hooking up to City water in the future.

Page 3-45 paragraph 3

Gillette has 13 wells in the Fort Union and Fox Hills formations rather than eight (8). Gillette is obligated to deliver up to 700 GPM to Moorcroft, up to 150 GPM to Rozet, and up to 1000 GPM to the Wyodak Power Plant.

Page 3-46 paragraph 1

The City of Gillette water system could serve an additional 10 to 15,000 users however it would require additional investment in "peaking" storage as well as significant policy changes to encourage conservation, especially in regard to irrigation use. Also we have established a priority of service to existing water districts within the City Limits first which amounts to over a thousand potential users.

Page 3-46 paragraph 3

The Wastewater Treatment Plant is designed to treat 3.85 million gallons per day not 4.0 Mgd. The system was designed to serve 40,000 people by adding specific treatment units at the plant. There would be costs associated with this upgrade due to population expansion.

4.0 Analysis of Proposed Actions and Alternatives

Page 4-3 Table 4-1

Socio Economics Section -

Increased need for public facilities and services - impact would be moderate to significant for water service when viewed as a cumulative effect. Sewer could also represent at least a moderate impact.

Page 4-31 paragraph 8

Burden to the water and sewer system of additional growth may require some mitigation in order to accommodate pace of projected growth especially in regard to "peaking" water storage.

Summary of Staff Comments
West Rocky Butte EIS
Page 3

Page 4-23 paragraph 4

Impact on Highway 59 South will be significant since this area is congested already. Additional shift traffic will worsen the situation unless alternate routes such as the proposed "Beltline" are completed.

6.17.7 Cumulative Infrastructure and Public Sector Impacts

Page 6-24 paragraph 1

An increase of average daily water usage from 6 Mgd to 7.2 Mgd is a 20% increase not 2% and would be a significant increase in usage since it would also presumably increase peak usage beyond our current capability. Storage needs to be increased.

Page 6-24 paragraph 3

Wastewater plant capacity is 3.85 Mgd. We cannot serve 40,000 people without further investment in our plant.

Contact persons on Utilities and Public Works comments:

Bill Carson
Public Works Director/City Engineer
307-686-5265

Jon Young
Director of Utilities
307-686-5262

Finance Comments

Page 6-2 paragraph 4

Comment on oil production is correct. This has resulted in declining revenues for the City and other governments dependent on mineral royalties and severance tax. The City of Gillette has experienced a drop of approximately 20% in budget revenues this Fiscal Year for these funds.

Page 5-25 paragraph 3

Related to the above comment, the City of Gillette's share of mineral royalty and severance taxes have been fixed by the 1990 Census figures and will not be adjusted again until the year 2000. The total mineral royalties and severance taxes accruing to the State will increase however the effect will be greatly diluted by the time this revenue trickles back to the City. Increased sales and use tax is based on County totals. However, again the City

Summary of Staff Comments
West Rocky Butte EIS
Page 4

will only benefit under the same fixed population ratio. This lag of revenues when population increases faster than revenue is a chronic problem which can only be partially addressed by income from impact assistance payments.

Contact person on Finance comments:

David Layden
Director of Finance
307-686-5209

Police Department

Page 5-24 paragraph 5

The growth of approximately 10,000 people in the immediate vicinity of Gillette would necessitate an increase of 15 to 20 sworn officers to the current sworn officer count. Additional support staff and equipment costs as well as necessary expansion of the existing police facility to accommodate the larger department could easily cost several million dollars over the 10 year forecast period.

Understaffing coupled with stable to decreasing City revenue during the next three years will make it very difficult to remedy the current understaffing and add staff to meet the potential peak construction impact in 1995 or 1996. This is aggravated by an 8 to 15 month lead time necessary to fully train new officers including academy work.

Contact person for Police Comments:

Jeff Pfau
Chief of Police
307-686-5232

Planning Department

3. 15. 1 Demographic Characteristics

Page 3-39 Table 3-14

What is the source of the County population data shown in this table? The County does not estimate population between censuses. This data could be very unreliable depending on its source.

Summary of Staff Comments
West Rocky Butte EIS
Page 5

Page 3-39 paragraph 5

The analysis of population is inconsistent throughout due to the "benchmarking" of some data to Census figures and then utilizing local data in a raw form to fill in periods in between. Also growth rates, housing projections and household sizes, etc., are "off" for the same reason. In many cases the conclusions are based on "apples and oranges" mixed together. No attempt was made by the consultant to really establish which data is more reliable.

4. 1. 15 Socio Economic

Page 4-25 paragraph 3

This paragraph epitomizes the problem cited above where the "low base" Census figure of 17,635 is quoted for the City and the higher local estimate, based on a different set of data is used for the "Gillette Urban Area".

Page 4-26 and Page 4-29

The analysis of employment and hiring and the conclusion that creation of employment in high paying jobs will result in minimal in-migration is simplistic. Local workers will undoubtedly be hired for a good portion of the operations jobs however they will leave other lower paying jobs to be filled by in-migrants. This "hiring up" scenario will result in the same, if not more impact since the in-migrants will require housing and services and probably be less able to afford them. It also says nothing about the "excess" labor force attracted to the community by the lure of job potential which also produces secondary impacts. These effects have been experienced by Gillette in the past and can result in moderate to severe impacts which are not measured in this analysis.

Page 4-31 paragraphs 1 and 2

Ability of the housing market to respond on the short term needs to be carefully monitored and further analyzed. The current tight housing market and current production level of housing could cause conflicts during the early construction phases especially in view of other potential projects and events occurring at the same time. Latter cumulative analysis contradicts this assessment of potential impact.

Pages 4-31 paragraphs 7 and 8

The incremental revenues spoken of in this section are large on paper but their actual availability to the community when needed may be questionable. In addition the impacts on law enforcement and utilities may be understated.

Summary of Staff Comments
West Rocky Butte EIS
Page 6

Page 4-33 paragraph 3

The conclusion reached in this section is that Gillette will bear the major responsibility for servicing the impact of the project with only $200,000 in additional revenues annually. No analysis was done to see if in fact this is reasonable or realistic given a detailed analysis of the City's finances. This amount is less than ½ of 1% of the current City budget of 30 million dollars.

6. 17. 3 Baseline Employment Projections

Pages 6-20 and 6-21

More detailed information needs to be supplied as to how these employment projections were arrived at. They are very aggressive in relation to anything which has been seen recently.

The general employment growth in Campbell County in the past three years has averaged 2%, however sustained growth in employment at the level portrayed lasting ten years would be unusual and highly unlikely.

Page 6-22 Table 6-12

The baseline population figures for the City of Gillette we feel are low because of the use of census data. The base difference of 1,650 people in 1990 between local estimates and census figures is a significant issue which needs to be resolved since it materially affects the base line growth rate portrayed. The City estimates show an average annual growth rate of 3% from 1987 to 1991.

No data or information is supplied as to the source of the growth rate used in the baseline projections.

Another underlying issue in regard to baseline City population increase is the allocation of population which is made between the City of Gillette and Campbell County. There is no data to suggest that the population growth rate is the same for the City and county. In 1980 the ratio of population between the City and County was 55%. In 1990 it was 58%. However on page 6-21 it is projected that the majority of mine workers will reside in the vicinity of Gillette. In Table 4-6 this estimate is placed at 90%. Due to new annexation and utility policies of the City it is very plausible and likely that most of the "County" population increase will also be in reality part of the population increase which should be shown in the City of Gillette column. For example it is unlikely new large urban type subdivisions would be approved within the 201 plan area that weren't connected to City sewer. This would necessitate annexation or an agreement to annex.

This table needs to be re-analyzed.

Page 6-22 Table 6-13

See comments on employment projections above.

Page 6-23 Table 6-14

The base line and urban/County ratio concerns carry over into this projection table.

Page 6-23 paragraphs 4-6

The analysis of potential housing demand is based on the population projections cited above. Again the analysis is very simplistic with no attempt to relate the projected demand to the specific structure of the housing market. This makes it difficult to assess the true impact.

The statement is made that cumulative impacts on the housing market could be a concern. However in the Table on 4-3, housing is not even mentioned as a separate impact issue.

The cumulative addition of 185 to 250 housing units per year to the local market is much higher than any recent production level since the early 1980's and needs more detailed analysis.

Page 6-25 paragraph 7

The reference to the National High School Rodeo should not be addressed under cumulative portion of the EIS but under the construction and short term impacts of the project.

Contact person for Planning comments:

Tom Langston
Director of Community Development
307-686-5281

Summary of Recommendations

In analyzing the detailed staff comments on the EIS, no insurmountable problems were identified in accommodating the growth related to this project. In general, the staff recommends that the following areas be given more attention in subsequent permitting analysis for the project:

1) The ability of water and sewer to expand and meet projected demand, needs more detailed analysis especially in regard to how it fits with current City fiscal conditions.

   a) Areas of concern are costs of increasing peak storage and adding increments of treatment in the case of wastewater treatment.

2) More detailed financial analysis is needed to determine the specific impacts and timing of projected revenue increases versus when increases in services have to be delivered.

3) The issue of potential impacts to law enforcement is directly related to #2 and needs to be assessed in detail.

4) The analysis of baseline and project population projections and assessment of growth potential needs more analysis. This also affects the outcome of housing projections.

   a) Some attempt needs to be made to incorporate more detailed and accurate local data versus sketchy census data to fine tune the population impact analysis.

5) More detailed analysis and monitoring of housing conditions both prior to and during the project needs to be carried on to prevent housing impacts. This includes analysis and data designed to minimize under-building and over-building which could later result in long term hardship due to future downturns.

If these items are addressed in further development of the Rocky Butte permitting process, then the community will be able to respond in a smoother manner in accommodating the project.

None of the concerns should hamper the continued progress in making the project a reality.

ds:92.032

13

BELLE FOURCHE PIPELINE COMPANY

LAW DEPARTMENT
R. Stanley Lowe, Counsel
Manuel A. Lojo, Attorney
John J. Bonstrom, Attorney
Ronald M. Morris, Attorney
David W. Trotter, Attorney

RIVER CROSS ROAD

PHONE 237-9301
P. O. DRAWER 2360
CASPER WYOMING
82602

March 13, 1992

CASPER FIELD OFFICE
MAR 16 92
MELTON
DM ADM FA AO OPR LBR SOR / AM FR SA ERA RWA PRA Land Resp

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Casper District Manager
Bureau of Land Management
c/o Jim Melton, EIS Coordinator
1701 East "E" Street
Casper, WY 82601

Re: Request for Comments on Draft EIS,
West Rocky Butte Coal Lease Application

Dear Sir:

In response to the above-captioned request, Belle Fourche Pipeline Company (Belle Fourche) must point out that the Draft EIS both contains some misinformation and lacks other data which are necessary to accurately assess the impacts of granting the sought coal lease.

1 In the first instance, on p.3-34 (3.14.2) the monthly production of Rourke Gap Field is given as 9,500 BPM (Barrels of oil Per Month) whereas actual production varies from its usual monthly level of more than 19,000 BPM to well over three times that (30,000 BPM).

2 Secondly, the DRAFT EIS off-handedly describes Belle Fourche as having special use permits and states that "pipelines...exist within permitted rights of way (ROWs)in the permit area.". In fact, however, much of Belle Fourche's affected pipeline mileage is on permanent easements "warranted and conveyed" to Belle Fourche as far back as 1962.

3 Moreover, the location and extent of Belle Fourche's pipelines are not such that they can be treated in an off-handed manner. Enclosed is a copy of Figure 3-12 from the Draft EIS on which has been drawn the approximate locations of Belle Fourche's existing lines. It is obvious that there are approximately 10 miles of pipelines which extend throughout the very heart of the application area.

4 While that might be of limited interest if the Draft's implication that these lines will soon be unnecessary (since the well production will be ending starting in 1995) were accurate, that implication is not correct.

5 It must be kept in mind that Belle Fourche is a common carrier pipeline which provides service throughout the Powder River Basin, and its pipelines in the application area are part of a

Jim Melton, EIS Coordinator
Bureau of Land Management
March 13, 1992
Page 2

single system providing the most economical, least environmentally-harmful method of getting Wyoming's Powder River crude oil to market.

6 As can be seen from the attached map, the direction of flow is from the west and northwest through the application area to the northeast to Belle Fourche's Donkey Creek Station. In view of this, it should be no surprise that the pipelines in the application area transport in excess of 120,000 BPM in behalf of several major shippers. At Donkey Creek these 120,000 BPM continue on either to the south or farther east on other of Belle Fourch's lines.

7 There can be no question that the granting of the sought application and the ensuing surface mining would be inimicable to the continued existence of an important part of Belle Fourche's Powder River system. In turn, the destruction of these pipelines would necessitate substituted transportation for the 120,000 BPM now moving through them. This translates into more than 1300 truckloads (at 90 Barrels each) every month which would move over the mostly two-lane roads of the Northeast quarter of Wyoming.

8 Alternatively, the cost of building new pipelines around the application area would entail an expenditure of approximately $300,000.00. However, the existing shippers' payment for transporting their crude oil already includes the costs of building the present pipelines. Requiring additional payments from these shippers for the new lines, even if the Wyoming Public Utilities Commission would approve higher charges for this purpose, is obviously unfair. Further, this added burden might cause producing wells outside of the application to become uneconomical and require their being shut in.

9 In summary, then, the proposed lease, if allowed to come in existence, gives rise to substantial negative impacts --- environmental, safety, and economic --- and the Draft EIS displays clear and important deficiencies by failing to address these impacts. Accordingly, the Draft EIS cannot be approved in its current form.

Very truly,

BELLE FOURCHE PIPELINE COMPANY

Manuel A. Lojo, Attorney

MAL-jan
Attachment

3.0 AFFECTED ENVIRONMENT

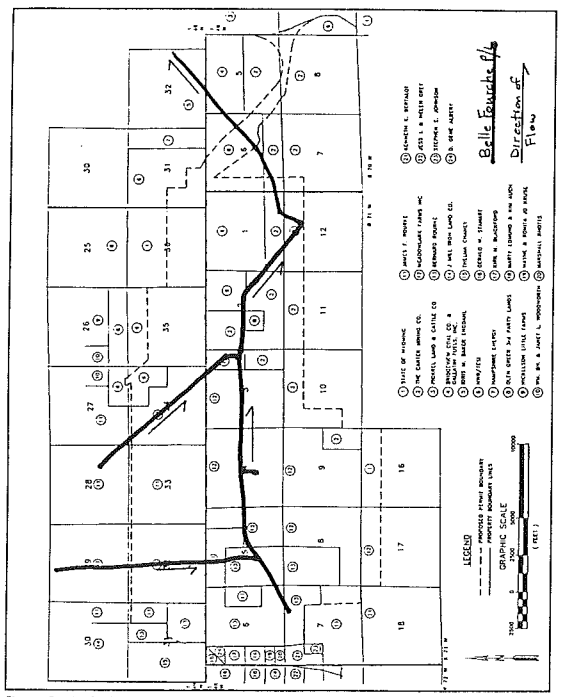

Figure 3-12. Surface Ownership On and Near the Proposed Rocky Butte Mine

3-35

14

92 MAR 16

Northwestern Resources Co.

16 EAST GRANITE, BUTTE, MONTANA 59701 (406) 723 5441

March 12, 1992

Mr. Jim Melton
EIS Coordinator
Bureau of Land Management
1701 East "E" Street
Casper, WY 82601

Dear ~~Mr. Melton~~: Jim

It was a pleasure to meet you at the BLM Draft Environmental Impact hearing for Rocky Butte on February 26th. We were pleased with the meeting, and the manner in which it was conducted. For your records, I have included with this letter, a written copy of the statement I gave at the hearing.

Please let me or Northey Tretheway know if you need any further information from us.

Sincerely,

Bruce

Bruce S. Graving
President
Horizon Coal Services, Inc.

BSG:sh

Enclosure

15

92 MAR 31

ENTECH

MINING • OIL • TECHNOLOGY • WASTE MANAGEMENT

March 26, 1992

Mr. Jim Melton
EIS Coordinator
Bureau of Land Management
Casper District Office
1701 East "E" Street
Casper, WY 82601

RE: Draft Environmental Impact Statement
Rocky Butte Coal Lease

Dear Mr. Melton:

In my oral comments at the public hearing on February 26, 1992, I indicated that Horizon Coal Services, Inc., a sister corporation to Northwestern Resources Co., will be assuming the responsibility to administer Northwestern Resources' coal interests in Wyoming. My staff and I reviewed the Draft Environmental Impact Statement (DEIS) and believe it is thorough and complete. It is our opinion that the DEIS identifies and properly analyzes all relevant environmental aspects of the alternative governmental decisions.

We appreciate the efforts of all agency representatives from the Bureau of Land Management and the Office of Surface Mining who have been involved in the NEPA process. We also thank you for the opportunities the Government provided for community and public involvement. The content of the DEIS reflects that the Bureau of Land Management and the Office of Surface Mining are proceeding with NEPA compliance in a responsive and responsible manner.

We look forward to providing additional information and working with the Federal and State agencies, the community and the public as the process continues.

Sincerely,

Bruce S Graving

Bruce S. Graving
President
Horizon Coal Services, Inc.

BSG:sh

16 EAST GRANITE, BUTTE, MONTANA 59701 • (406) 782-4233

16

SIERRA CLUB
NORTHERN GREAT PLAINS REGION
COLUMBUS BUILDING
25 NORTH SCOTT, #25
SHERIDAN, WYOMING 82801
(307) 672-0425

March 2, 1992

Casper District Manager
Bureau of Land Management
c/o Jim Melton, EIS Coordinator
1701 East E Street
Casper, Wyoming 82601

Dear District Manager:

We are extremely concerned with the Draft West Rocky Butte Coal Lease Application Environmental Impact Statement.

1 The Sierra Club opposes the BLM's obvious evasion and manipulation of diligence requirements. We cannot believe that the BLM is willing to circumvent diligence in this case. Diligence requirements were developed to prevent speculation in coal leases. If diligence is ignored here, the BLM is opening a pandora's box which will allow unwanted and unwarranted speculation in coal leasing.

2 The BLM has also failed to follow its regional activity planning process on this proposed lease as required by federal law and has instead chosen to issue this lease under a lease by application process. A regional coal leasing EIS would address the cumulative impacts of all leasing proposed in the Powder River Basin Coal Region, which this EIS has failed to do.

Frankly, we are astounished the BLM would blatantly violate federal law as it is proposing to do in this EIS. This EIS should be abandoned immediately and the West Rocky Butte coal lease should expire as required under federal law. If the lessee is interested in mining coal at West Rocky Butte than it should be required to bid on the expired lease in a competitive lease sale.

Sincerely yours,

Kirk Koepsel
Associate Representative

"Not blind opposition to progress, but opposition to blind progress."

17

WYOMING OUTDOOR COUNCIL

March 16, 1992

Casper District Office
Bureau of Land Management
c/o Jim Melton, EIS Coordinator
1701 East E. Street
Casper, Wyoming 82601

RE: Draft Environmental Impact Statement for the West Rocky Butte Coal Lease Application

Dear District Manager:

Thank you for inviting the Wyoming Outdoor Council (WOC) to participate in the environmental review process for the above captioned coal lease application.

WOC is a non-profit conservation organization dedicated to the protection and enhancement of Wyoming's environment. WOC achieves its mission by educating and involving its members and the public in decisionmaking, and by advocating environmentally responsible public policies. Established in 1967, the organization presently has over 1000 members.

The following comments are based upon WOC's review of the Draft environmental impact statement (DEIS) for Northwestern Resources Company's (NWR) coal lease by application. Our comments address issues involving the lessee's failure to comply with the BLM's diligent development requirements, the adequacy of proposed mitigation measures, and the adequacy of the environmental analysis under NEPA.

1 Diligent Development Requirements.

NWR proposes to acquire a coal lease (West Rocky Butte Tract) containing approximately 50 million tons of coal. The West Rocky Butte Tract is adjacent to NWR's Rocky Butte tract, which contains approximately 575 million tons of federal coal. In combining the two tracts, NWR hopes to preserve the existing coal lease, which is scheduled to expire in February 1993, by forming a logical mining unit (LMU). On its face, NWR's proposal to form a LMU by combining the tracts appears to be an attempt to avoid congressionally mandated diligent development requirements.

The Federal Coal Leasing Amendments Act of 1976 (FCLAA) was enacted, in part, to discourage the rampant speculation that then characterized the federal coal leasing program. FCLAA requires, among other things, coal production in "commercial quantities" to be demonstrated at the end of ten years. See 30 U.S.C. Section 207(a). Commercial quantities "means 1 percent of the

201 Main Lander, Wyoming 82520 (307) 332-7031

recoverable coal reserves or LMU recoverable coal reserves." See 43 CFR 3480.0-5(a)(6). Under the BLM's federal coal management regulations, "[a]ny Federal coal lease or LMU which has not achieved diligent development shall be terminated by DOI." See 43 CFR 3483.2. Diligent development "means the production of recoverable coal reserves in commercial quantities prior to the end of the diligent development period." See 43 CFR 3480.0-5(a)(12). NWR has failed to achieve diligent development. It now attempts, through sleight of hand, to extend for another 10 years the period during which diligent development must occur. The BLM's own regulations expressly provide that "no lease shall be issued and no existing lease shall be transferred, to any entity, that holds and has held for 10 years any lease from which the entity is not producing the coal deposits in commercial quantities . . . ." See 43 CFR 3472.1-2(e)(1)(i).

While the rules do provide a limited exception to the due diligence requirements, WOC nonetheless believes that the BLM should carefully consider on the record the environmental, economic, and policy consequences of endorsing such tactics. The purpose of diligent development requirements is, of course, to discourage the acquisition and holding of public resources for speculative purposes, and to penalize, through the mechanism of lease forfeiture, lessees who attempt to profit at the publics' expense. Allowing mine lessees to avoid diligence requirements by combining leases into LMUs circumvents - administratively - the diligence requirement imposed by Congress and invites similar specious requests in the future.

2 Potential Adverse Impacts to Nearby Residents.

The Nickelson Little Farms and Robbins Valley Estates subdivisions are both situated within one half mile of the proposed LMU permit boundary. See Draft West Rocky Butte Coal Lease Application EIS, page 3-38. Mining activity will doubtless have an adverse affect on these residences, particularly on air quality and water resources. But the DEIS suggests that any potential adverse impacts can be mitigated: "It is concluded that impacts from mining-induced drawdowns are minor since they must be mitigated by the operator if a water user is injured." See DEIS, page 4-15. Citing Wyoming law, the DEIS indicates that NWR will be required '". . . to replace the water supply of an owner of interest in real property who obtains all or part of his supply of water for domestic, agricultural, industrial, or other legitimate use from an underground or surface source where the supply has been affected by contamination, diminution or interruption proximately resulting from the surface coal mine operation."' See DEIS, page D-3. These comments ignore the difficulties associated with recovery under Wyoming law.

WOC envisions two potential problems that could thwart attempts by residents impacted by mining activities to obtain relief. Both relate directly to the shortcomings associated with relying solely upon state law for recovery of damages. First, the burden of proof under the relevant section is on the injured party. Under the Wyoming law cited by the BLM, a property owner claiming an injury must prove by a "preponderance of evidence" that the mine caused the injury for which relief is sought. In WOC's opinion, placing the burden of proof on a private citizen who has arguably suffered an injury from mining operations is not fair. The difficulty of proving causation can be a substantial barrier to recovery. Often, information needed to show causation is, at best, difficult and costly to obtain. To stand any chance of winning his or her claim, a injured person would probably have to hire a lawyer to initiate a claim and technical consultants to refute all of the evidence the company would no doubt offer to vindicate itself.

Second, the law cited in the DEIS protects only "owners in interest in real property." See Wyo. Stat. 35-11-415(b)(xii). A lessee or renter injured by mining activities would have no direct cause of action against the mine operator under this section. Any attempted recovery would have to be made by and through the owner of the property, who may for any number of reasons be less inclined to zealously pursue a claim against the operator.

To ensure that nearby residents are adequately protected against adverse impacts, WOC recommends that the terms of the lease form be modified under 43 CFR 3475.1. In WOC's opinion, the issuance of the lease should be conditioned upon the operator agreeing to replace any source of water adversely affected absent the requirement that a claimant 1) be "an owner of interest in real property" and 2) prove that his injury was caused by mining operations. Removing the burden of proof, causation, and ownership requirements for claimants alleging injuries to water wells would provide the residents with the possibility of some measure of relief unavailable under the current proposal.

3 Wetlands and Riparian Areas.

Four intermittent streams are present in the proposed mine permit area: Tisdale Creek, North Tisdale Creek, Gold Mine Draw, and Donkey Creek. See DEIS at 3-6. In addition, the DEIS states that "[p]layas, which are shallow closed drainages that pond water during wet seasons, are common [in the proposed Rocky Butte permit area]." See DEIS at 3-1. The DEIS also indicates that "[t]here are 33 riparian zones that support wetland plant species within the permit area (Reed, 1988). Twenty-eight riparian areas are within the proposed disturbed area." See DEIS at 3-4.

Finally, the statement indicates that "[r]iparian vegetation also occurs adjacent to springs or hollows in ephemeral channels and in one basin where there is a locally high water table." Id.

The DEIS fails to discuss in sufficient detail the potential adverse impacts to wetlands within the project area. The discussion of how impacts to wetlands will be mitigated seems to imply that man-made wetlands provide the same functions and values as the natural ones destroyed by draining and filling. See DEIS 5-1, D-1 to D-4. Please describe in greater detail how natural wetlands damaged or destroyed by mining will be replaced during reclamation.

Cooperating Agencies.

4 1) Corps of Engineers. The U.S. Army Corps of Engineers (COE) regulates the discharge of dredged of fill material into Wyoming water bodies and wetlands through Section 404 of the Clean Water Act (CWA) (33 U.S.C. 1344). This section requires the issuance of a permit from the COE before dredged or fill materials can be placed into "waters of the United States."

The COE is not listed as a cooperating or consulting agency in the Draft EIS. Further, the COE is not included in the list of agencies and interested groups to whom copies of the draft statement have been sent. See DEIS at 8-1 to 8-7. Because jurisdictional wetlands may occur within the project area, shouldn't the Corps of Engineers be a "cooperating agency" under the CEQ's regulations implementing NEPA. See 40 CFR 1508.5 ("Cooperating agency means any Federal agency other than a lead agency which has jurisdiction by law or special expertise with respect to any environmental impact involved in a proposal (or a reasonable alternative) for . . . [a] major Federal action significantly affecting the quality of the human environment"). Such agencies have a duty to "comment on statements within their jurisdiction, expertise, or authority." Id. at 1503.2. Does the BLM intend to consult with the COE on this proposal or does it view as adequate the terse reference in the DEIS to a COE survey in 1989. See DEIS 3-4.

5 2) Environmental Protection Agency. The U.S. Environmental Protection Agency (EPA) has an obligation under Section 309 of the Clean Air Act (42 U.S.C. 7609) to review and comment in writing on the environmental impact of the proposed action. This obligation is independent of its role as a cooperating agency under the NEPA regulations. See 40 CFR 1504.1(b).

Like the COE, the EPA is not included in the list of agencies and interested groups to whom copies of the draft statement have been sent. In addition, the EPA is not listed as

a cooperating or consulting agency in the Draft EIS. Does the BLM intend to consult with the EPA on this proposal? As you know, the BLM, as the lead agency, has a duty to "obtain the comments of any Federal agency which has jurisdiction by law or special expertise with respect to any environmental impact involved or which is authorized to develop and enforce environmental standards." Id. at 1503.1(a)(1).

6 Contractors' Disclosure Statement.

The cover sheet for the draft EIS indicates that it was prepared with the assistance of consulting firms. Under such circumstances, the firms must execute and include in the draft EIS a disclosure statement prepared by the lead agency "specifying that they have no financial or other interest in the outcome of the project." See 40 CFR 1506.5(c) and Forty Questions Memorandum, 46 Fed. Reg. 18026 (March 23, 1981), as amended, 51 Fed. Reg. 15618 (April 25, 1986), Answer to question 17a.

7 The "Preferred Alternative."

40 CFR 1502.14(e) requires the section of the EIS on alternatives to "identify the agency's preferred alternative if one or more exists, in the draft statement, and identify such alternative in the final statement." The agency's preferred alternative "is the alternative which the agency believes would fulfill its statutory mission and responsibilities, giving consideration to economic, environmental, technical and other factors." See CEQ's Forty Questions Memorandum, Answer to question 4a.

The DEIS did not identify the BLM's preferred alternative. Is the "proposed action" described in the DEIS the BLM's preferred alternative?

WOC appreciates having this opportunity to comment on the proposed coal sale to Northwestern Resources Company. Please do not hesitate to call our office at (307) 332-7031 if you have any questions concerning our comments.

Sincerely,

Dan Heilig
Associate Director

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POWDER RIVER BASIN RESOURCE COUNCIL
23 North Scott • Sheridan WY 82801 • (307) 672-5809

APR 02 '92

April 1, 1992

James W. Monroe
BLM Casper District Office
1701 East E Street
Casper, WY 82601

RE: Draft Environmental Impact Statement for the West Rocky Butte Coal Lease Application (DES-92-1)

Dear Mr. Monroe:

The following written comments are respectfully submitted on behalf of the Powder River Basin Resource Council. These comments reiterate and follow up on the oral comments I made at the February 26th hearing in Gillette. PRBRC is a grassroots organization dedicated to good stewardship of Wyoming's natural resources. We stand for the responsible development of our natural resources.

1 NEED AND ALTERNATIVES

The existing Rocky Butte lease will expire in February 1993 under federal due diligence requirements. Because Northwestern Resources is unable to produce commercial quantities of coal to meet these due diligence requirements before the lease expires they have apparently applied for this 50 million ton coal lease simply to avoid the expiration of the lease and extend their diligence requirement by creating a logical mining unit. We question whether this action is truly in the best interest of the public and whether it actually meets the intent of federal due diligence requirements. Other than to extend the diligence requirements, is this lease tract critical to the existing Rocky Butte lease? Does this action contradict with BLM regulations that require no lease to be issued or an existing lease to be transferred that has been held for ten years without producing the coal in commercial quantities? See 43 CFR 3472.1-2(e) (1). If not, why not?

Why didn't the BLM consider as an alternative leasing the coal tract at a later date? If the lease expired under due diligence the company could apply for the lease again and the state and federal government would receive an additional bonus bid for re-leasing the tract.

ENVIRONMENTAL IMPACTS OF THE PROPOSED ACTION

2 GAS VENTING

The Draft EIS provides very little discussion, investigation or explanation of the possibility of a Rawhide Village type situation. The EIS devotes one paragraph to the issue and states that the compaction structures in the coal bearing formations in the Rocky Butte area have not been identified. Has any study been conducted to investigate whether there are either compaction structures or gas vents in the area?

WATER RESOURCES

3 On page 4-9 the document states that, "Data collected thus far from Powder River Basin area mines show that once resaturated with ground water, mine spoils are usually able to provide small yields of groundwater of a quality suitable for stock water purposes." However, this is not what the USGS study recently released indicates. The USGS study, "Geohydrology and Potential effects of coal mining in 12 coal-lease areas, Powder River Structural Basin, Northeastern Wyoming," notes that large selenium and nitrate concentrations measured in the spoil aquifers in the Caballo mine (adjacent to the proposed Rocky Butte mine) could render water unsuitable for livestock or domestic use. Why is there no discussion of potential selenium or nitrate levels in spoil aquifers? Particularly, in light of the fact that samples of overburden noted higher than recommended levels of ntirate, molybdenum and selenium.

Additionally the document on page 4-10 states that most spoil wells exhibit TDS values between 3,000 and 6,000 mg/L, and that this is similar to the premining Wasatch aquifer and meets Class III standards for use as stock water. How many wells are most? How much data has been collected on spoil aquifers? Additionally, the maximum level for stock water is 5,000 mg/L of TDS. How long does it take for one pore volume of water to leach through the spoils and return water to a pre-mining quality?

4 BLASTING

The draft EIS discusses blasting and notes 53 private wells within 5,000 feet of the boundary within which blasting will occur. The draft EIS then relies upon a study of the effects of blasting on private wells in Appalachia. The Draft EIS presumes that the geology of the Powder River Basin is the same as that of Appalachia when in fact it is totally different from Appalachia. How does this study pertain to the geology and subsequent blast effects and impacts on wells in the Powder River Basin? Geology dictates that this study does not apply to the Powder River Basin. Without a direct study on the impacts of blasting in the Powder River Basin there is no basis for concluding that the 53 private wells in close proximity to the Rocky Butte Mine will not be impacted.

5 IMPACT TO FORT UNION FORMATION

On page 4-11, the draft EIS states that NWR does not plan to complete a well in these sands unless mine water requirements cannot be met by near-surface sources, therefore under this plan no impacts would result. Why is the BLM assuming that this will be the case for the proposed Rocky Butte Mine? To our knowledge nearly every mine in the Powder River Basin has a well in the Fort Union Formation. Why doesn't the Draft EIS at least discuss the potential impacts if the Rocky Butte mine does need to use water from the Fort Union formation?

6 REGIONAL DRAWDOWN ON OVERBURDEN AND COAL WELLS

On page 4-11 the draft EIS states that no regional drawdown data is available for the overburden. Why? Specifically in light of the fact that 114 wells are completed in the overburden. The document also states that coal wells within one mile would undergo significant drawdowns possibly to the point of complete dewatering near the pit limits. It also states that overburden aquifer would experience significant drawdowns within one mile due west and northwest of the permit area. According to SMCRA, mining operations must be designed so that they do not cause material damage to the hydrologic balance outside the permit area. How will this be accomplished given these circumstances?

7 Also, the Draft EIS should correctly state on page 4-15 that Section 717 of SMCRA requires replacement of the water supply of an owner of a well that is **proximately** caused by contamination, dimunition or interruption resulting from the mining operation.

8 The Draft EIS states that drawdowns will be significant yet impacts will be minor since they must be mitigated. Mitigation does not erase impacts. How can the BLM conclude that impacts are minor which result in significant aquifer drawdowns and wells going dry? This also applies to the impacts from degraded water quality in spoil aquifers which can render these wells unsuitable for livestock or domestic use for many, many years. The BLM also concludes that this will be a moderate impact because alternative sources of water are available but also notes the impacts are significant and can last for tens to hundreds of years. Since subdivisions in the Gillette area have experienced repeated problems with water wells how does the BLM know that water supplies can be reliably replaced?

9 Finally the cumulative impacts section on Water Resources seems to be a duplication of what has been published in the other EA's for proposed LBA's. Why doesn't the Draft EIS look more independently at the overlapping impacts of the adjacent mines? Additionally, you need to correct your statement on page 6-14 since cumulative impacts on surface water **have** been mentioned as a source of concern during scoping for the proposed coal leasing.

10 AIR QUALITY & NOISE

Regarding the discussion on air quality page 4-21, the document states that impacts would be moderate within the Boundary except for areas in close proximity to operations which may be heavily impacted. What is close proximity and how heavily will they be impacted? How many people will be impacted? How can those impacts be mitigated? What can be done to also minimize noise pollution for those residents living near the proposed lease area?

11 SOCIOECONOMICS

The Draft EIS states on page 4-34 that the no action alternative would result in negative socioeconomic impacts because job opportunities, etc. would not occur. However, it also states that certain "minor" negative impacts would also not occur and these relate to a burden upon the housing market and eventual loss of jobs and revenue when the mine closes. Why does the BLM classify these negative impacts as "minor"? Is this a view held by the community as a whole? Additionally, the negative impacts go beyond just the housing market by placing a burden on the whole infrastructure of Gillette as indicated on page 4-31. The quality of life for those residents near the mine is significantly degraded and the quality of life for the rest of the Gillette residents is lowered. How are these impacts measured against any perceived gains in revenue and employment? Do the gains outweigh the losses in the longterm and how is this measured? If this is simply a value judgement shouldn't the document make that clear?

12 CONCLUSION

Under Section 43 of the Code of Federal Regulations subpart 3475.1 the Director has the ability to add additional stipulations and conditions he/she deems appropriate. We suggest additional stipulations need to be added to ensure the replacement of wells and water systems that will be impacted by this action. We also suggest that the BLM investigate what stipulation or condition may minimize the impacts of noise. We would we happy to discuss these possibilities further.

Thank you for the opportunity to submit comments.

Sincerely,

Dave Stueck
Chair
Powder River Basin Resource Council

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Wayne & Ronita Kruse
10318 S. Highway 59
Gillette Wy. 82716

Casper District Office
Bureau of Land Management
c/o Jim Melton, EIS Coordinator
1701 East "E" Street
Casper, Wy 82601

Dear Jim Melton,

We are Wayne and Ronita Kruse, living at 10318 S. Hwy. 59. Being within 600 feet of the west boundary of the west Rocky Butte Coal lease arrlication, we are very concerned about the following effects that the mining operation could have on us: Air and noise pollution; blasting damage to our home foundation, water well and windows; and the lowering of our property value.

We feel it is reasonable to require Northeastern Resources Co. sign a committment stating that they will monetarily reimburse us for any damage or loss caused by their mining activity.

Please consider these concerns in the final EIS.

Sincerely,
Ronita Jo Kruse

Wayne Kruse
Ronita Jo Kruse

CASPER SLM
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PA ___ SL ___
AD ___ BRA ___
DPM ___ NRA ___
LRB ___ PRA ___
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"MELTON"

20

March 6, 1992

92 MAR 11 AM 11:15

Casper District Manager
Bureau of Land Management
c/o Jim Melton, EIS Coordinator
1701 East E. St.
Casper, WY 82601

Our residence is on the west edge of the proposed Rocky Butte lease. We are concerned that if mining activities begin as proposed they will have many devastating affects upon us.

The dust & noise generated from activities within such close proximity of our home will make outside activities very annoying if not impossible to enjoy. The blasting & strip mining is sure to cause damage to our home and buildings as well as disrupt our water table. Our ranch animals will not tolerate the constant disturbances and therefore will not produce in a feasible and economical capacity.

Also the value of our properties have already depreciated with talk of the mine going in. If the mine is actually started, our properties will have little value for many years and be difficult to regain our investments from, when we are forced to move out. Which is exactly what will happen as we could not put up with the every day hassles and/or have our home life and business subjected to the effects of a mining operation at such close proximity.

Steven E Johnson

Debora R Johnson

Steven E. & Debora R. Johnson
2868 Bishop Road
Gillette, Wyoming 82716

21

March 6, 1992

Casper District Manager
Bureau of Land Management
Jim Melton, EIS Coordinator
1701 East E Street
Casper, Wyoming 82601

Mr. Melton,

This letter is to comment on the Northeastern Resources Company application for the West Rocky Butte tract. I urge you to deny this lease application.

The original Rocky Butte tract should be able to stand on it's own without the addition of the West Rocky Butte tract or the lease should be dropped.

The addition of the West Rocky Butte tract brings the open pit mining and blasting activities within one half mile of the residences along Highway 59. The last time mining activity was this close to a residential subdivision in Campbell County was when the Rawhide Village subdivision had to be evacuated and condemned. I see nothing in the Draft EIS for West Rocky Butte that

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protects me or my fellow landowners in this valley from the same sort of problems.

We breed and raise quarter horses on our place. Blasting activity taking place less than 1 mile from our corrals will be very hazardous to my family when handling horses. We had a very close call recently thanks to Carter Mining's blasting 3½ miles away. Blasting at less than 1 mile will be intolerable and dangerous.

There is such an oversupply of 8200-8600 BTU coal in the Powder River Basin at this time that Clovis Point and Coal Creek Mines are idle. Where is the logic in opening another mine with the market this soft. The compliance coal that goes to power plants in the East will come from the southern end of the basin. Utilities can not afford to transport the quality of coal found in the Rocky Butte tract to their plants in the eastern and deep south market areas.

3

Combining the West Rocky Butte and Rocky Butte tracts to get a restart on the diligence clock appears to be an abuse of the whole LBA process and should not be condoned. If the original Rocky Butte lease cannot be mined economically the 50 million tons of coal contained in the West Rocky Butte tract will not make or break the project.

Please reject the lease application for the West Rocky Butte tract.

Jerry Stanart

10389 Hwy 59
Jacka Route
Gillette, Wyoming 82716

Phone 686-0386

22

March 7, 1992

Casper District Manager
Bureau of Land Management
Jim Melton, EIS Coordinator
1701 East E Street
Casper, Wyo. 82601

Mr. Melton,

This letter is to comment on the Northwestern Resources Company application for the West Rocky Butte tract. Please, deny this lease!!

We breed and raise quarter horses on our place. Blasting activitivity taking place less than 1 mile from our corrals will be very dangerous to me and my family when handling horses. I had a very close call only 6 weeks ago thanks to Carter Mining blasting 3 1/2 miles away. Blasting a less than 1 mile away from us could get someone hurt or even Killed!!

So I urge you to deny this lease application, as the Rocky Butte tract has

enough coal in it, without the West Rocky Butte tract--

please reject the lease application for the West Rocky Butte tract.

Mara L. Stanart
10389 Hwy #59
Jacka RT.
Gillette - Wyo
82716

phone 686-0386

23

March 10, 1992

92 MAR 13 PM 12:17

Casper District Manager
Bureau of Land Management
% Jim Melton, EIS Coordinator
1701 East E. Street
Casper, Wyo. 82601

Re: Draft EIS West Rocky Butte
Coal Lease Application
(Federal Coal Lease Application
WYW 122586)

Dear Mr. Melton,

As land owners on the West boundary of the proposed lease application, we have some real concerns regarding noise, air pollution, water quality, and real estate value. We are already affected by the mining of Carter to the Southeast of us. We can hear the haul trucks and the blasting has been shaking our dwellings. We can only imagine what the noise and blasting will be like if West Rocky Butte starts mining 1200 feet from our dwellings. There is already air pollution in the valley of the Subdivision of Robbins Valley Estates. Some days it is real "foggy" - what will it look like when another mine

page 2

adds to that "smog." In the Spring and through the Fall the majority of our winds are from the East and Southeast. We will not be able to have a single window or door open because of the noise and dust. We did not purchase this property to live caged in a house and not be able to enjoy the outdoors because of pollution from air quality and noise. Western Resources has already admitted that some water supplies will be disturbed. Ten years ago it cost over $10,000 to drill our water well. How many water wells are Western Resources willing to drill at today's prices before they say it is our problem? The resale value of our property has already dropped to an extreme low just because of the speculation of a coal mine 1200 feet from the property line. No body wants to live that close to a mine therefore it will be impossible for us to sell to a private party and start over. We also raise Registered Suffolk sheep that will be greatly affected. They become very nervous and are very

page 3

poor mothers when the noise level they are used to is disturbed. For the reasons stated above, we are requesting that the BLM "DENY" the West Rocky Butte Coal Lease Application WyW 122586.

If the BLM approves the above application we are requesting that an air quality monitor and a ground disturbance monitor be set up and operated 24 hours a day continuously for the life of the coal mine. These monitors will be next to our home. At such time that the air quality, and or noise, and or ground disturbance reach nonliveable conditions, Western Resources will be obligated to purchase our property at a price agreed to by both parties concerned.

Kirk & Lenna Blackford
P.O. Box 1543
10358 S. Hwy. 59
Gillette, Wy. 82717

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March 12, 1992

Casper District Manager
Bureau of Land Management
c/o Jim Melton, EIS Coordinator
1701 East E Street
Casper, WY 82601

92 MAR 16 PM 12:23

Dear Mr. Melton,

We request that a coal lease for the West Rocky Butte tract not be issued to Northwestern Resources Company. We respectfully base our request on the following concerns:

1. The additional 390 acres included in the West Rocky Butte tract brings the proposed mine to an unreasonable distance from our existing home. According to p. 3-31, section 3.12 Noise, "Dwelling #2, the closest occupied dwelling to the mine area, will be 500 feet from the nearest disturbance and 125 feet from the permit boundary." We live in dwelling #2 and believe that our lives will be impacted by the construction and operation of the mine.

2. Blasting at the mine will damage our water well. Northwestern Resources Company officials have acknowledged the probability of damage to wells in the area and have stated that the well will be repaired or replaced as often as necessary. We believe that it will be a continous problem, for the majority of the life of the mine, and constant water problems is not an acceptable situation for us.

3. Air quality can not be controlled, mainly due to the winds. The dust during construction and mining will affect every living thing in the area, from our children, to our animals, to our trees and gardens.

4. Constant noise and vibration from equipment, trucks, and blasting less than 1/4 mile from our home will, in all probability, make it impossible to live there. Mines operate 24 hours per day, 7 days per week.

We truly believe that the granting of this lease, the subsequent construction and mining operation will impact the people living on the west edge of the lease area. We have already felt the impact in the form of decreased property values, and our childrens concerns about what it will be like to live next door to a producing coal mine.

Please understand that as permanent residents of Campbell County we have to be supportive of positive economic development and the potential for hundreds of jobs. However, we believe that the acres contained in the West Rocky Butte tract will not mean the success or failure of the proposed coal mine.

Sincerely,

Lee & Lori Edwards
10392 S. Hwy 59
Gillette, WY 82716

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CASPER BLM
MAR 09 '92
DM ADM PA AD OPR LRR RGR MN FL SL BRA NRA PRA Lead Resp

"MELTON"

Casper District Manager
Bureau of Land Management
c/o Jim Melton, EIS Coordinator
1701 East E. street
Casper, WY 82601

March 5, 1992

Dear Sir;

We are writing to protest the Northwestern Resources Company getting the lease and developing the coal mine at the West Rocky Butte Tract, in Campbell County, Wyoming.

We live at 63 Nathan Hale in Nickelsons Little Farms. We moved here in August of 1991, and at the time that we purchased the property we had no idea that a mine was proposing to start up practically on our doorstep. If we had , we would not have bought this property.

We used to live inside the city limits of Gillette, and we were a few miles from several coal mines. We regularly felt the blasting from the mines, and several times we had things knocked from the walls because of the blasts. This mine is going to be even closer, and we are very concerned about property damage, dust pollution, and noise pollution. What are our rights, and who is going to protect us from all this. We have read your EIS book, and quite frankly we have no faith in it. We feel that the government and this coal company are not sufficiently concerned about the people who are going to be most affected by all this, namely, those whose land boarders the proposed coal mine.

There are too many unanswered questions, questions that have been avoided by the coal company and the BLM. Will we be guaranteed restitution for any property damage?, Will we be bought out at a fair price if our property values drop and living becomes unbearable out here. These type of questions should be answered now before any coal lease is granted.

We would like to go on record as objecting to this proposed lease and any coal mine this close to living quarters.

Sincerely,

Sidney J. Sharp
Susan J Sharp

Sidney J. and Susan J. Sharp P.O. Box 4121 Gillette WY 82717

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CASPER BLM
MAR 11 '92
DM ADM PA AD OPR LRR RGR MN FL SL BRA NRA PRA Lead Resp

Mr. & Mrs. Mikel R. Manley
114 Patrick Henry Road
Gillette, Wyoming 82716

March 9, 1992

Mr. Jim Melton
Powder River Coal Team Leader
Bureau of Land Management
1701 East E Street
Casper, Wyoming 82601

Re: West Rocky Butte Coal Lease Application
Rocky Butte Mine

Dear Sir:

We would like to express our concerns about the above coal lease application and coal mine that is proposed for leasing by the BLM. We are located in the extreme southwestern corner of Nickelson Little Farms. The Rocky Butte Mine permit boundary will be less than 2,600 feet from our home and the silos, railroad loop and crushing facilities will be less than 3,000 feet from our home.

We are concerned about the air quality as a result of the mining operation so close to our home with the south and southwest winds. We do not feel this is a healthful atmosphere as two of our family members have respiratory problems. We may not medically be able to cope with the continual dust and dirt from the mine and crushing facilities. We would like dust monitors on our south fence line if the lease is approved. The law requires 2 days per week of dust monitoring. We would like to see a continuous air-monitoring system installed on the Nickelson Little Farms south boundary.

Another concern is the continual blasting and what impact this will be on our water supply, our water distribution system and our home. If the permit is granted, we request a pre-blasting survey of our home and water system.

Noise pollution is another concern. We moved to the extreme southwestern corner of Nickelson Little Farms for peace and quiet, which we now enjoy. However, with the proposed location of the crushing facilities, railroad loop and silos our peace and quiet will be gone. We will be hearing back up alarms, trains, trucks and traffic for the next 30+ years. This is a grim thought. If the permit is granted, please request that Northwestern Resources move the proposed silos, crushing facilities and railroad loop to another location preferrably to the east and south of the planned location. We feel it will be more than a nuisance noise. Since this will be a 24 hour, 7 day a week operation for the next 30+ years, we do not feel that we should have to put up with the noise level of an operating coal mine 1/2 mile from our home.

Another concern is the Four Corners Road relocation. This road will be constructed close to our property. If this permit is granted, we request that this road be paved from the mine entrance east to Fairview Road. This request is due to the heavy road usage by the oilfield traffic southeast of Nickelson Little Farms and also truck traffic dodging the port of entry due to the straigtening of Four Corners Road.

Last but not least, a great concern is our property value. We have made improvements and invested many dollars and time each year for the past 12 years. If we cannot live here due to health problems arising from the location of the Rocky Butte Coal Mine, we are concerned about a fair market value for our property.

Since the existing Rocky Butte lease tract comprises approximately 575 million tons of coal, we do not think that the additional 50 million ton in the West Rocky Butte Tract is necessary for the mining of the Rocky Butte Tract. We feel that this is a ploy by the Montana Power Co. to get an additional 10 years before coal has to be mined. Therefore, we do not want the West Rocky Butte Coal Lease permitted.

Thank you for your time and consideration of this matter.

Sincerely yours,

Mr. & Mrs. Mikel R. Manley

Mr. & Mrs. Mikel R. Manley

cc: DEQ

27

March 11, 1992

92 MAR 13 AM 11:51

BLM
James W. Monroe
1701 East E Street
Casper, WY 82601

RE: the Rocky Butte mining lease.

Dear Mr. Monroe:

As a certified water operator for Nickelson Little Farms as well as a resident of Nickelson Little Farms I am concerned that the mining operation will have a detrimental effect on the Fort Union aquifer.

Although the environmental impact statement said there would be no detrimental effect I feel sure that the mine will have to have a source of water other than ground water and that the draw down on the aquifer will cause us to run out of water.

I think that North Western Resources should guarantee in writing that should Nickelson Little Farms lose its water supply that North Western Resources would be financially responsible for drilling new wells.

Sincerely yours,

David VanDamme
Certified operator #IWS 905-20
92 Patrick Henry
Gillette, WY 82716

28

March 12, 1992

92 MAR 16 PM 12:22

Casper District Manager
Bureau of Land Management
c/o Jim Melton, EIS Coordinator
1701 East E Street
Casper, Wyoming

Dear Mr. Melton,

We, the residents of Nickelson Little Farms, have cause for concern and believe that the operation of a coal mine to be known as the Rocky Butte Mine will adversely affect our way of life as we now know it.

We find it difficult, if not impossible, to believe that the mine operation as set forth in the Draft Environmental Impact Statement DES-92-1 of January, 1992, will not impact our community beyond limits commensurate with our current standards. The tangibles we fear are subject to deterioration include water quality and quantity, air quality, noise levels and property values among others. Each of these factors is addressed individually in the following commentary.

WATER:

Our water is of excellent quality and adequate quantity. Our pumping station and distribution system have been continually upgraded through out the approximate 15-year history of our existence. The impact statement avers that water for the mine operation will be primarily derived from accumulations released as the result of excavation with a contingency plan to drill deep wells in the event water released by excavation does not fulfill projected needs of 150 to 200 gallons per minute. This computes to between 216,000 and 288,000 gallons per 24-hour day. That's a lot of water. We have established outside watering restrictions in our community in order to preserve the water table. Should the mining operation find it necessary to drill wells into the same aquifer from which we draw our water, we fear that the amount of water available for our residents will be substantially curtailed. With water as precious a commodity as it is and the below-normal amounts of precipitation we have experienced in recent years this is surely an area of deep concern for all of us. Along with an adequate water supply we also question the effect blasting at the mine will have on our physical wells and the piping distributing water to our residents. Our water mains are approximately 6 to 7 feet below the land surface. We question very strongly the effect continual earth shock waves resulting from blasting would have on the joints in this piping and/or the piping itself. Maintenance costs on the distribution system have been minimal in the past allowing us to supply water to our residents at a reasonable rate. Should maintenance costs rise due to repairing leaks in the system we may find ourselves in a position of not being able to foot the bill. The impact statement does not address avenues of recourse in a situation of this nature. We need some assurance (other than oral) that maintenance costs relating to blasting or other mining functions will be compensatable in one form or another. We also request a pre-blasting survey be made at the expense of an entity other than Nickelson Little Farms prior to the approval of the mining permit.

AIR QUALITY:

There are adults and children among our residents who are subject to respiratory ailments. Air pollution is, therefore, a major concern for these people in particular as it is for all our residents in general. A portion of our operating budget is earmarked for road maintenance and dust control within our community in order to alleviate this problem. While we may not have any sophisticated equipment or experts capable of analyzing air quality within our community, we can interpret what we can see: When the wind blows the dust flows! We find it disturbing to note in the map of the proposed layout of the mining unit that the proposed loadout facility is a scant mile from our community. While it may be true that prevailing winds in our area are from the north or northwest, we do have substantial periods of southerly winds. The addition of airborne pollution from the loadout facility to the dust already created by blasting and excavating procedures may well be beyond the limits of tolerance. During the course of a meeting with representatives from Northwestern Resources Company on February 8, 1992, it was established that the reasons for locating the loadout as indicated were purely economic in nature. We submit that economic factors in determining the location of the loadout facility be superceded by concerns for health factors and that the loadout facility be located as far from our community as is feasibly possible. Additionally, we request that an air monitoring station be installed and maintained within our community sufficiently in advance of any activity initiated at the proposed mine in order to establish a basis for comparison in the event the mining operation is approved and actual construction commences.

NOISE POLLUTION:

Our community is blessed with a serenity second to none. Aside from the noises created by normal use of motorized equipment for mowing, gardening, construction and the like we have little to disturb our peace and quiet. It's one of the reasons many of our residents have opted to live here. We value the country life. Now we are to be subjected to the clanging, banging and loud engine noises that are part and parcel of a major mining operation as well as the intrusion of railroad trains shuttling back and forth within a mile of our homes any hour of the day or night. We did not bargain for this kind of racket when we established here years before any thought was given to a coal mining operation in our back yards. While the impact statement does not seem to address this problem with any specific limitations in mind, we strongly urge that any and all approaches to noise mitigation be stipulated as being mandatory and binding on the part of Northwestern Resources Company prior to the approval of the mining permit.

PROPERTY VALUES:

Granted, Nickelson Little Farms is not Beverly Hills, but for most of its residents it represents the fruits of incessant labor, blood, sweat and tears. This community was carved out of a piece of Wyoming prairie and was brought to its present state of fruition by honest, hard-working people striving to attain a way of life suited to their needs. For many it is the realization of the American dream -- a place we call home and where we toiled to put down roots for ourselves and oncoming generations. Suddenly we are to be thrust into a situation not of our making which threatens not only our way of life but our pocketbooks as well. Let's face it! Who, in his right mind, would choose to live within a proverbial stone's throw of an operating coal mine? Would you?

The impact statement goes to great lengths to spell out the favorable financial impacts of a new mine to the State of Wyoming, Campbell County and the city of Gillette. There is not one word about favorable financial imput to our community per se, which is understandable since no such gain is within the realm of contemplation. Quite to the contrary we, as residents and landowners in Nickelson Little Farms, are put in a potential position of sacrificing our water supply, air quality and our peace and quiet for the financial benefit of everyone else (including Northwestern Resources Company) without any avenue to recourse for ourselves.

We hold that the investments we have made in our properties and our community will be nullified by the proposed mining operation. Those who find they cannot continue to live in our community for reasons relative to threats to health and welfare have no alternative but to relocate without financial or physical assistance from any entity. Some of us are not financially or physically able to bear the burden of relocating and starting out anew.

What will our properties be worth on the open market if we choose or are forced to sell out? Wyoming has long prided itself in being known as the "Equality State". Where is the equality in this scenario? It is, at best, a very lopsided picture and we believe our community has been totally ignored. We do exist and stand to be recognized.

The environmental impact statement addresses the interval of a half-mile to a mile and one-half between our community and the proposed mine as though it were sufficient to overcome any and all adversities. We doubt this evaluation is accurate.

We ask, therefore, that some consideration be given to the provision for monetary compensation or services in kind to those residents and landowners who will not be able to adjust to the impact of the mining operation.

ACCESS ROADS:

We note that an access road to the mining operation from Highway 59 has been proposed, said road to continue on to the existing Fairview Road. It is anticipated that both these roadways will be heavily traveled. For safety and maintenance reasons we recommend that the roadways be paved, including the portion of Fairview that remains unpaved at this time.

SUMMATION:

The environmental impact statement speaks of short-term and long-term impacts with short-term defined as the 42-year life of the proposed mine, and long-term as anything beyond 42 years. For many of us the short-term is our remaining lifetimes and beyond. Many of our younger residents will be senior citizens before the short-term expires. The short-term is here and now. Any decisions made now will affect our residents for many years to come.

We at Nickelson Little Farms are as much pro-America as anyone else. We try to keep ourselves informed of national, state and local issues. That having been said, we are sympathetic with our nation's needs for low sulphur coal and the energy it produces. A number of our resi-

lents are gainfully employed in existing coal mines and are grateful for the jobs they hold. We are not against progress, the advancement of industry or coal mining as long as these activities are conducted responsibly.

We are proud to be Wyomingites entrenched in the principles of equality which our great state has purported to uphold since its conception. All we ask is some consideration as Americans attempting to live the American way with equality for all.

Respectfully submitted,

Signed by members of the Nickelson Little Farms Board of Directors and the Committee for Concerned Nickelson Residents

John B Wold

Larry a Sutter

Gracie Walter

Carolyn K. Manley

Judith Van Ramme

Stanley Fahrenbach

Robert L. Yeager

29

March 12, 1992

BUREAU OF LAND MANAGEMENT
CASPER DISTRICT OFFICE
92 MAR 16 PM 12:06

Casper District Manager
Bureau of Land Management
c/o Jim Melton, EIS Coordinator
1701 East E Street
Casper, Wyoming

Subject: Draft Environmental Impact Statement for the West Rocky Butte Coal Lease Application

Dear Mr. Melton,

In accordance with instructions contained in the subject DEIS this commentary is submitted for consideration.

1. Executive Summary, paragraph 2: It is unfair that a new diligence period would be established since it essentially allows Northwestern Resources Company to be a holding company similar to the former lease holder.

2. Executive Summary, paragraph 5: Beyond the two alternatives analyzed, more exist. For example, opening Rocky Butte and bidding West Rocky Butte at a later date when coal prices may be better.

3. Page 1-4, paragraph 5: The governor of Wyoming has been quoted as being strongly in favor of this development and it seems his leadership could slant actions of state agencies.

4. Page 3-29, paragraph 1: Total suspended particulates averaged 30.8 micrograms per meter cubed in 1980, and this seems to be an average of all collection points whether upwind or downwind. The Nickelson Little Farms area is already having air quality problems when a slight south breeze exists.

5. Page 331, section 312: This section seems inaccurate and skirts the noise issue. Paragraph 2 indicates the probable noise level in the eastern part of the mine area as being from 40 to 50 decibles. This seems untrue since, on a calm evening, the heavy industry at the Caballo Mine, which is three miles away, is the dominating background noise. Paragraph 3 indicates Nickelson Little Farms would be a mile from the nearest disturbance. We would like to ask that the dump and preparation areas also be located at a distance greater than one mile from Nickelson Little Farms since these are dusty and noisy operations.

6. Page 3-33, section 3.13.2 Roads: Northwestern Resources has proposed a reroute of the Four Corners Road (figure 3-11). We find this favorable and ask that it be paved from Highway 59 to the intersection at Fairview Road and that Fairview Road be paved from the intersection of Four Corners Road north 1/3 mile to existing pavement. We also ask that the county road be widened and turnouts established at the southerly entrance to Nickelson Little Farms since this entrance is on a hilltop and Fairview Road is likely to have greatly increased traffic. Northey Tretheway of Northwestern Resources Company has implied it may be possible to help Nickelson Little Farms with dust control on its five miles of roadways to aid in offsetting dust Nickelson Little Farms will receive from the proposed mine.

7. Page 3-38, section 3.14.2 Land Use: Paragraph 3 acknowledges the existence of Nickelson Little Farms and other dwellings but seems to draw no conclusions concerning their close proximity to the proposed mine.

8. Page 4-3, table 4-1: Indicates a negative socioeconomic impact for the "no action alternative". This is not justified.

9. Page 4-19, section 4.1.10 Air quality: This section has not addressed particulate emissions from the dump and preparation plant area. Since it is expected that this area would remain near Nickelson Little Farms for nearly 40 years, this needs to be studied. Paragraph 2 indicates particulate levels have a significant radius of approximately 10 kilometers (6.25 miles). With southerly winds this would have a cumulative effect on Nickelson Little Farms from the Rocky Butte Mine, Caballo Mine, Amax Mine, Caballo Rojo Mine and Cordero Mine. Paragraph 4 indicates a probable cumulative dust problem. Paragraph 2 on page 421 indicates particulate emissions would have a moderate impact on the Caballo Mine and, therefore, would also have a moderate impact on Nickelson Little Farms.

10. Page 4-21, section 4.1.12 Noise: Paragraph 2 indicates sound intensity levels are proportionate to distance. At least several sources of noise from the mining operation would produce noise levels upwards of 100 decibles including but not limited to haul trucks, crushers, drag lines and shovels. At a distance of one mile each of these would still be 50 decibles loud. This is too much for a residential neighborhood. Since no noise standards are in effect, we are asking that the Environmental Protection Agency study this situation and we also ask that Northwestern Resources erect a large sound baffle directly north of the dump.

11. Page 6-25, section 6.17.12 Cumulative impacts on social well-being: Indicates the social well-being of Campbell County residents could be considered "good". Contrary to this claim, Campbell County residents have abnormally high teen pregnancy rates and high suicide rates for both teens and adults. Campbell County is saturated with a heavy industrial environment and needs no more employers providing shift work and high stress.

12. Appendix D-5, Noise mitigation: Proposals are such that tree lines and hedges should be applied where the duration of impact will be five years or more. Establishing the production plant in its proximity to Nickelson Little Farms makes this area suitable for extensive planting for mitigation. Since Northwestern Resources Company wants to be a good neighbor, we would appreciate a preguaranteed decible level that we may expect from the mining operation.

Respectfully submitted,

John B. Wold

John B. Wold
Resident

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MARCH 9, 1992

CASPER DISTRICT OFFICE
BUREAU OF LAND MANAGEMENT
% TIM MELTON, EIS COORDINATOR
1701 EAST "E" STREET
CASPER, WYOMING 82601

DEAR MR. MELTON:

REFERENCE THE DRAFT WEST ROCKY BUTTE COAL LEASE APPLICATION ENVIRONMENTAL IMPACT STATEMENT OF JANUARY 1992.

PAGE 2-4. THE HIGHEST QUALITY COAL WITH THE RESULTING PRICE PREMIUM IS ADDRESSED AS JUSTIFICATION FOR MINING THE WESTERN (HIGHEST QUALITY) PORTION OF THE MINE FIRST. IN THE EVENT THAT THE MAJORITY OF THE FIRST YEARS OF PRODUCTION IS TO BE SOLD IN FOREIGN MARKETS, THE MINING PLAN SHOULD BE REVERSED AND THE EASTERN (LOWER QUALITY) COAL MINED FIRST. SAVE THE WESTERN (HIGHEST QUALITY) COAL FOR A PROBABLE INCREASE IN THE FUTURE USA MARKET, THUS GIVING OUR OWN INDUSTRIES THE COMPETITIVE EDGE.

PAGES 3-34 TO 3-37, PRESENT AND PROJECTED OIL AND GAS PRODUCTION IS DISCUSSED BASED ONLY ON EXISTING FIELDS AND PRESENTLY PRODUCING WELLS WITHIN EACH FIELD. THE IMPACT ON EXPLORATION WITHIN THE PRESENT FIELDS AND THE POSSIBILITY OF OTHER FIELDS NEEDS TO BE PROPERLY ADDRESSED. PAST EXPERIENCE HAS SHOWN THAT NEW WELLS ARE OFTEN DISCOVERED IN SANDS WHERE NO FURTHER DISCOVERIES WERE ANTICIPATED (I.E. THE MUDDY AND MINNELUSA SANDSTONES, PAGE 4-4, ITEM 4:1.1) AND IN FORMATIONS BELOW THE MINNELUSA. MINERAL AND ROYALTY OWNERS, WHETHER OR NOT THEY OWN COAL RIGHTS OR COAL PRODUCTION OVERRIDES, HAVE A RIGHT TO EXPECT MAXIMUM BENEFITS FROM THEIR HOLDINGS. ANY BUYOUT OF OIL AND/OR GAS PRODUCERS (OIL COMPANIES, ETC.) SHOULD INCLUDE COMPENSATION TO MINERAL AND ROYALTY OWNERS AS WELL.

PAGE 4-4. THE STATEMENT INDICATES THAT STILL PRODUCING OIL WELLS, WHEN ENCOUNTERED BY THE MINE, WILL BE CAPPED BELOW THE LOWEST COAL SEAM AND MINED THROUGH. MINERAL AND ROYALTY OWNERS SHOULD BE COMPENSATED FOR LOSS OF INCOME DURING DISRUPTION OF PRODUCTION. AFTER THE MINE THROUGH, CAPPED WELLS SHOULD BE RESTORED TO PRODUCING CAPABILITY AT NO COST TO THE OIL PRODUCERS.

THE UNDERSIGNED OWN SEPARATE MINERAL AND/OR ROYALTY INTERESTS IN THE PROPOSED ROCKY BUTTE MINE PERMIT AREA.

SINCERELY YOURS,

Laverretta A. Wolff
LAVERRETTA A. WOLFF
3687 S. 2455E
SALT LAKE CITY, UT 84109

Louis F. Wolff
LOUIS F. WOLFF
P.O. BOX 11835
SALT LAKE CITY, UT 84147-0535

31

JOHN C. CORKERY
910 Woodland Avenue
Gillette, WY 82716

February 27, 1992

Jim Melton
Bureau of Land Management
1701 East "E" Street
Casper, WY 82601

RE: Written comments supporting Rocky Butte Mine

Dear Sir:

I am a partner in Earthwork, Inc., which owns undeveloped land in the southwestern portion of Gillette. I very much support the development of the Rocky Butte Coal Mine. With its development and the development of other projects proposed in the area, our company will be more readily able to develop this land into tracts for home building.

However, while my motives for supporting the development of this mine are clear, the motives of the Sierra Club and its affiliated organizations are not.

As reported in the Casper Star Tribune, February 26, 1992, the Sierra Club wants to block Northwestern Resources' efforts to extend their large federal coal lease by forming a logical mining unit. The Sierra Club and their associates would rather let Northwestern's large coal lease expire so that the BLM could re-lease the coal tract and get, as the paper quoted, "tens of millions of dollars in new bonus bids".

Is this the purpose of the Sierra Club and their affiliated sister groups; to look after BLM's best interests? If it were, then these groups would concede that while an LMU can hold a coal lease for another 10 years, it is being employed in this case to give the company time to build its mine facilities and gain its permitting. This being the case, the actual development of the lease (BLM's ultimate goal) is more likely to progress in the near future if the mine is allowed to proceed on schedule. Taking back the lease, putting it out for bid, awarding it and then having another company progress to Northwestern's current status would only delay the development of the lease and the royalties to be had from it. This

re-leasing would assume, of course, that there is another company that will want the lease when it is made available. The market for low sulfur coal could remain soft or only improve slightly during the interim. If this happened, the current euphoria for low sulfur coal properties could quickly disappear. Thus, the re-leased tract could bring little or no bonus whatsoever. Even if the bidding process is successful and the tract is re-leased, there is a very real possibility that the new lessee will postpone any development of the lease until coal prices increase, perhaps the entire ten years.

It is obvious that the protests of these groups are for no other reason that to stop this project and, as in the case of Kerr McGee's by-pass lease, any other coal development in the Basin.

But why? They insist that they are not anti-coal, nor are they anti-development. Still, anyone has yet to see these groups support any project that has to do with the development of natural resources.

Is it because there are serious environmental problems associated with these projects or with surface mining in general? If so, why are these problems not being brought to light? Why are their resources being wasted on administrative maneuvering when they could be spent on research and making a bonafide case for the major environmental hazards of coal mining in the Powder River Basin?

The reason, I suspect, is that after 15 years of intense mining in the basin and after all the environmental impact statements, monitoring and reporting done by state and federal agencies, no viable case can be made to support a stance that says surface mining in the basin causes any major environmental hazards. Since these groups invariably equate the development of natural resources with environmental degradation, they use every means at their disposal to stop it.

This is a clear case of a special interest group pursuing an agenda rather than having a specific objection to a particular project.

Please see this ploy for what it is and allow Northwestern Resources to continue its way through your process.

Sincerely,

John C. Corkery

John C. Corkery

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BUREAU OF LAND MANAGEMENT
CASPER DISTRICT OFFICE
92 MAR 12 PM 12:17

Gillette, Wyoming
March 9, 1992

Bureau of Land Management
Casper, Wyoming

Gentlemen:

At the recent public hearing on the Environmental Impact Statement on the West Rocky Butte coal lease application, the representative of the Powder River Resourse Council proposed that the application be denied. They contend that coal mining operators should not be exposed to further competion at this time and that the U.S. Treasury would be better served if the Rocky Butte lease be allowed to expire and offered for reb.ding at some time in the future.

This scenario presumes that the present surface ownership and lease structure would remain intact. Because of the multiple and involved surface situation and possible surface lease defaults, future offering of the tract would be difficult if not impossible.

Rather than a probable substantial loss of return, the present applications if approved would return to the federal government millions in royalty payments and similar amounts in state and county taxes. The proposed mine would also provide a tremendous economic spinoff, all of which are important to the present economy.

Sincerely,

Paul D. Rourke

Paul Rourke
Box 578
Gillette, Wyo
82717

33

Chuck Rourke
116A Four Corners Rd
Gillette, Wyoming
82716

Casper District Manager
Bureau of Land Management
c/o Jim Melton, EIS Coordinator
1701 East E Street
Casper, Wyoming 82601

To whom it may concern,

This letter is in regard to the West Rocky Butte Coal Lease Application. I am the agricultural producer on the land which the West Rocky Butte Coal Lease is being applied for. The primary land uses in this lease application tract are livestock grazing and wildlife on native rangeland and improved pasture land.

I have been working with other coal mines in the Powder River Basin on reclamation and livestock grazing practices. I see many benefits from the reclaimed land after being mined for coal. There is a substantial increase in livestock and wildlife carry capacity. With an improved landscape and increased forage production there is less soil erosion. I see the opportunity for more trees to be established for wildlife habitat and livestock protection as well as the aesthetics value.

I strongly support the leasing of the West Rocky Butte Coal Lease Application Tract. It will improve my ranch and farm operation with a higher livestock carrying capacity, farming with less top soil loss and improved wildlife habitat.

There would be a boost in the economy for our community from this mining activity. The tax base increase for our County and State would be very beneficial. The royalties and taxes going to the Federal Government would help the people of the United State as a whole.

Respectfully Submitted,

Chuck Rourke

Chuck Rourke

34

Gillette, Wy.
March 14, 1992

To Whom It May Concern:

In regard to West Rocky Butte Coal Lease Application by Northwestern Resource Co. In 1976 the Rourke family leased the surface of their ranch, plus their private coal for mining purposes. Commenting on Chapter 3:14, Land Use and Ownership page 3-34: The Rourke family owns 160 acres of private coal in Sec. 7 and Sec. 8-48-71, which is adjacent to the above lease. Since the family has granted BLM surface owner consent to lease and mine federal coal on their ranch, I believe BLM should give serious consideration to leasing the West Rocky Butte tract so that our private coal will be mined, thus relieving some financial pressure put on our ranching operation, through the total mining process. The West Rocky Butte tract and private coal acreage contains high quality coal and should not be bypassed.

Sincerely,

James F. Rourke
Box 339
Gillette, Wyo. 82717

35

Gillette Wy.
March 16, 1992

Dear Mr. Milton,

In regard to the Rocky Butte Coal Lease, I am totally in favor of it. I have an interest in the Rourke coal fee and would like to have it mined.

If the area was mined, many people would benefit from it including the City of Gillette and county.

Sincerely,
Kathryn P. Jackson

Kathryn P. Jackson
706 Warren Ave.
Gillette, Wyo. 82716

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Gillette Wyo.
March

To Whom It May Concern

I am in favor of coal mining on the Rocky Butte Coal Lease as I own the interest of the Rourke fee coal, which is included in the projected ~~the~~ Coal Lease.

Respectfully
Mary Evangeline Wiese Lakes

MRS. [redacted]
BOX 146
GILLETTE, [redacted]

RESPONSES TO COMMENTS ON THE DRAFT EIS

Response to Letter 1 from the Environmental Protection Agency

The participation of the EPA in reviewing the West Rocky Butte Environmental Impact Statement provides an important perspective to the BLM on the adequacy of the document. Revisions have been made to the document in order to address EPA's comments. EPA should also be aware that some of these issues are the responsibility of other state and federal agencies during future stages of permitting. They are not specifically addressed in the EIS because the proposed mine plan is speculative at this stage, and mitigation will need to be designed according to the approved mine plan.

Responses to detailed comments by the EPA:

1. The FEIS text has been revised as recommended (see end of Section 3.10.2).

2. The description of the Tullock Member is found in Chapter 3.0, Affected Environment, in Section 3.5.2. The description of the Fort Union Formation, of which the Tullock is the lowermost member, has been expanded in response to this comment.

3,4,5 & 6. The discussion of these topics has been expanded in Section 4.1.5 in response to the comments from the EPA.

7. There is a discussion of the potential for water trapped within the spoil aquifer to re-enter the regional flow pattern in Section 4.1.5 and Section 6.7.1. This discussion has been expanded in response to this comment from the EPA.

8 & 9. The Lebo Shale Member of the Fort Union Formation, which lies between the coal being mined and the Tullock Member of the Fort Union Formation, has a mean thickness of 711 feet for the Powder River Basin, and a thickness of about 400 feet near Gillette. This member is not disturbed by mining. Therefore, no breaching of the Tullock Member or water quality impacts to the Tullock Member as a result of vertical leakage are anticipated during mining or after reclamation. Recharge to the Tullock Member is not affected by mining. These topics are discussed in Section 3.5.2 and Section 4.1.5 of the EIS.

Response to Letter 2 from the Governor of Wyoming

The BLM appreciates the involvement and support of the State of Wyoming in the current coal leasing effort. Parts of the West Rocky Butte FEIS have been revised in response to comments received from the Governor and State Agencies. If there are further concerns or comments on the part of the State of Wyoming with regard to this lease or any of the others currently under consideration, the BLM will attempt to answer them to the state's satisfaction.

Response to Letter 3, from G. Alan Edwards, Wyoming Governor's Office.

The numbers in the response to Alan Edwards comments correspond to numbered sections in the comment letter. The replies are divided into two sections, responses to general comments and responses to specific comments.

General Comments

1a. The West Rocky Butte tract is needed to satisfy a deadline faced by the applicant, however it also has value to the applicant as a source of higher quality coal. As discussed in Section 2.2 of the EIS, the coal

underlying the West Rocky Butte tract is higher Btu coal than much of the coal in the existing lease, and is therefore more competitive with the coal currently being mined and sold in the Powder River Basin at this time. Also, the coal underlying the West Rocky Butte tract is present as one thick seam, but it is split across much of the existing lease (see Figure 3-1). According to the company, during the early years of mining the addition of this coal to the existing Rocky Butte coal will extend the period of time the mine will be able to mine and sell thicker, higher Btu coal, and thus make the mine more competitive.

From the BLM's standpoint, the West Rocky Butte tract would be most logically mined at the same time as the existing Rocky Butte lease for maximum economic recovery. The possibility exists that the coal on the West Rocky Butte tract might never be recovered if it is not mined at the same time the existing lease is mined.

1b. There is a sufficient quantity of coal on the existing Rocky Butte lease to open a new mine, however the quality of the coal underlying much of the existing lease is not competitive with coal currently being produced and sold in the basin. The coal on the West Rocky Butte Tract is higher Btu coal, and is therefore more salable at this time. It is the applicant's position that the higher Btu coal from the West Rocky Butte tract results in a total mine property that can better compete in the current marketplace.

1c. The impacts of mining only the existing lease were specifically included in the regional EIS prepared for the 1982 sale and were cumulatively considered in the EIS prepared but not finalized in 1984. Also, the impacts of a scenario based on mining the existing lease alone would not be greater in magnitude than the impacts of mining the existing lease and the proposed lease together, so mining only the existing lease would not result in additional impacts to the environment which are greater than those considered under the proposed action. The mining of the existing lease only was not included in the EIS as an alternative because it is not feasible for a mine to start up and meet diligence requirements (i.e., mine 1 percent of the coal underlying the existing lease) prior to the diligence date of February 1, 1993.

2. The discussion of the coal demand forecasts has been expanded in the FEIS in response to comments on this topic. This discussion can be found in Section 1.4 of the FEIS.

3. As stated above, the existing Rocky Butte lease contains a sufficient quantity of coal to meet market demand, but much of that coal is of a quality which is not competitively salable at this time but may be in the future. The acquisition of the West Rocky Butte tract will allow the company to produce currently competitive coal for a longer period of time. In the future, after the higher quality coal has been mined off the existing lease and the LBA, the lower quality coal on the existing lease may be more competitive. There is an expanded discussion on the market forecast in the FEIS, as mentioned above.

Specific Comments:

1. The No Action Alternative assumes for the purposes of this analysis that the coal would never be mined in order to allow a comparison of the impacts of the proposed mine versus no development in the area. Section 2.3, The No Action Alternative, has been revised to clarify this. The BLM could offer the lease for sale at a later date, which would require a lease by application or an expression of interest in leasing the coal on the part of industry. A discussion of the impacts of leasing the coal at a later date is included in Section 2.4, Alternatives Considered But Not Analyzed In Detail.

2. There is not a definition of substantial in this case. In response to this comment, clarification has been added in Section 2.2 of the FEIS. Substantial revisions could represent a change in the impacts assessed in the EIS, however, it is anticipated that these changes would result from a lower production rate in response to market conditions, and therefore would result in smaller impacts to the environment

than are analyzed in the FEIS (see discussion under section 2.4). In any event, prior to mining, the OSM will evaluate the environmental impacts of the approved mine plan in an additional NEPA document.

3. The coal in the West Rocky Butte lease would be logically mined with the Rocky Butte tract, and might not be mined if it were not mined along with the Rocky Butte tract. The tract is too large to be added to the lease as a lease modification as there is a 160 acre limit to lease modifications over the life of the lease. Lease modifications are not issued on a competitive basis. Nonetheless, if West Rocky Butte were not leased now, it would make a logical addition to the Rocky Butte reserves, if and when they are mined in the future.

4. Section 2 has been revised.

5. As discussed above, for the purposes of this analysis, the No Action Alternative assumes that the coal will never be mined for the purposes of comparison with the Proposed Action. The possibility that the tracts could be mined in the future is discussed under Section 2.4, but is not analyzed in detail because the environmental and socioeconomic impacts would not be greater than those which are analyzed in the Proposed Action. If the Rocky Butte lease is not mined at this time as proposed by Northwestern Resources, the lease will expire next year. Based on the quality of the coal underlying much of the lease and market forecasts at this time, BLM predicts that interest in this lease would not exist until sometime between 2010 and 2020, so any analysis of the benefits of the sale in the future based on current information would be purely speculative. The No Action Alternative in Section 4 has been modified.

6. The statement in Section 6.12 is a general statement about regional impacts to air quality in the Powder River Basin as a result of surface coal mining. Since the Rocky Butte lease is closer than ten miles to the existing Caballo Mine, the discussion of air quality impacts in Section 4.1.10 was based on modeling which included the adjacent mines as well as the Rocky Butte Mine.

7. The Black Hills Power and Light generating station and the Dry Fork Mine expansion were considered in the socioeconomic and cumulative impact analyses. Section 6.17.2 provides the baseline information which was used in the analyses in the following sections.

Response to Letter 4, Wyoming State Historic Preservation Office

The entire proposed permit area has been the subject of a Class III cultural resource inventory. This has been clarified in the text of the FEIS. Additional coordination on this subject will take place between DEQ and OSM during actual permitting activities.

Response to Letter 5, Wyoming Game and Fish Department

Terrestrial Considerations:

For leasing purposes, the BLM must determine whether or not the impacts of an action can be mitigated. The BLM does not regulate what the reclamation standards are or what they should be. If there are serious problems with reclamation technology in the Powder River Basin, as stated by the Wyoming Game and Fish Department, then those problems should be pursued with the Office of Surface Mining and with the Wyoming DEQ.

The Wyoming Game and Fish Department is correct in stating that impacts should be clearly stated in the document. The BLM appreciates the input and data provided by the Game and Fish Department. Revisions have been made to the FEIS which take the information provided by the Game and Fish Department into account.

Response to Letter 6, Office of Industrial Siting Administration

Revisions to the housing availability discussions have been made in response to these comments.

Response to Letter 7, Public Service Commission

Utility and pipeline facilities will be relocated by the coal lessee except in areas where pre-existing easements and rights-of-way or other legal obligations state otherwise.

Response to Letters 8 and 9, State Engineers Office.

The Board of Control tabulation of adjudicated rights has been updated, per your comment. Water well and reservoir permits will be filed in accordance with State requirements when more final mining plans indicate what the requirements are going to be.

Response to Letter 10, Campbell County Commissioners

The BLM appreciates the support, cooperation and input of the Campbell County Commissioners during the current leasing effort. We would like to continue working with you on leasing proposals, and request that you continue to advise us of any concerns that the county has regarding this project, or any other coal-related project involving Federal coal.

Response to Letters 11 and 12, City of Gillette

The comments offered on the DEIS by the City of Gillette have been taken into account, and revisions have been made in the FEIS accordingly. The BLM would like to thank the City of Gillette for their input into the leasing process and the West Rocky Butte EIS, and to request that the city continue to contact us with regard to their comments and concerns on the leasing process.

Response to Letter 13, Belle Fourche Pipeline Company
(Numbers refer to numbered paragraphs in the comment letter)

General response:

BLM is required to manage Federal lands on the basis of multiple use. 33 CFR 3400.1 provides that "the presence of deposits of other minerals...or production of other minerals shall not preclude...the development or production of coal deposits...". When conflicts arise between natural resource uses, BLM policy is to encourage negotiation and resolution of those conflicts between the conflicting parties.

Northwestern Resources Company has expressed their intention to the BLM to relocate pipelines to the extent that the pipeline owner does not have the legal obligation to relocate those lines. BLM would suggest that resolution of this issue would best be handled by negotiation between Northwestern Resources and Belle Fourche Pipeline.

The purpose of this EIS is to state the impacts of leasing the West Rocky Butte tract. A valuable part of the EIS process is that misinformation and data deficiencies be identified in the comment process and corrected. It must

also be pointed out, however, that most of the impacts discussed in the comment letter from Belle Fourche would have occurred if the existing lease had been mined, and are not significantly increased by the addition of the West Rocky Butte tract.

1. The monthly production reported in the DEIS was based on outdated production data. This has been corrected in the FEIS.

2. The FEIS has been revised to reflect this.

3. The location of Belle Fourche's pipelines has been added to the FEIS (see Figure 3-13). To be accurate, the majority of the 10 miles of Belle Fourche's pipeline system referred to in the comment letter are located on the existing lease, not on the application area as stated in the comment letter, and would have required relocation if the existing lease had been mined.

4. The EIS does not intend to imply that the lines will soon be unnecessary, however their existence on the existing lease and the lease application area does not preclude issuance of a lease or a mining permit.

5. Even though the location of the pipeline may change, its function will not.

6. Again, it should be pointed out that the majority of the Belle Fourche pipeline is located on the existing lease, and would have been affected by development of that lease at any point since its issuance in 1983.

7. Trucking can be useful for resolving short-distance or short time disruptions in pipelines, but it is not necessarily viable as a long-term transportation solution. Whether trucking or rebuilding of the pipeline is the best solution will require studies and negotiations by the companies involved.

8. The disruption of existing pipelines, power lines and telephone lines is an impact resulting from coal mining, and therefore must be identified in the impact analysis. There are other rights of way in the Rocky Butte area which will likely have to be relocated in the course of coal mining activities, including at least one county road, powerlines and telephone facilities. Ideally, these could all be relocated along common right-of-way corridors, which will be created for other needs. Northwestern Resources Co. has indicated that they are prepared to relocate those lines, at their expense, to the extent that Belle Fourche and other pipeline owners do not have the legal obligation to relocate those lines.

9. The Final EIS identifies wells and pipelines which will be impacted by coal mining. The existence of these impacts does not preclude the issuance of the lease, however.

Response to Letters 14 and 15, Northwestern Resources Co. and Entech

The BLM appreciates the willingness of the company to provide information necessary for the preparation of the EIS in a timely fashion when it is needed.

Response to Letter 16, Sierra Club
(Numbered responses refer to numbered paragraphs in comment letter)

1. Diligence requirements are not being evaded by this action. The proposal by the applicant to form a logical mining unit, and thus extend diligence, is allowed under the applicable regulations. It is also

unlikely that this action will lead to "unwanted and unwarranted speculation". The most recent lease sale was held in 1982, and the leases sold in that lease sale are all reaching the point of being subject to diligence requirements in 1992 or 1993. There is only one other existing undeveloped lease in the Powder River Basin which is not adjacent to an existing mine, and for which an LMU could be formed under these circumstances. That is the Keeline lease, and it will expire this year if diligence requirements are not met.

2. The regional activity planning process is required prior to leasing in Federal coal production regions. The director of the BLM accepted the recommendation to the Powder River Regional Coal Team to decertify the Powder River Federal Coal Production Region as a Federal coal production region in January, 1990. This action allowed coal leasing to be done on a lease by application basis as described in the Federal Regulations (43 CFR 3425), which does not require regional activity planning. The cumulative impacts of all the proposed leasing have been addressed in this EIS in a similar manner to the way they would be addressed in a regional EIS.

   The BLM has proceeded with the processing of the West Rocky Butte lease by application and preparation of an EIS at the direction of the Powder River Regional Coal Team, in accordance with the regulations on coal leasing (43 CFR 3425) and the regulations implementing NEPA (40 CFR 1500).

Response to Letter 17, Wyoming Outdoor Council
(Numbers in response correspond to numbered sections in the comment letter.

1. Diligent Development Requirements.

As Wyoming Outdoor Council points out, the existing lease is scheduled to expire in February, 1993. Northwestern Resources Co.(NWR) has not failed to achieve diligent development until that date. Likewise, the regulations at 43 CFR 3472.1-2(e)(1)(i) cited by Wyoming Outdoor Council can not be applied until that date. The BLM has reviewed the status of other federal leases held by NWR in other states and determined that they are not in violation of this regulation at this time. It also should be pointed out that NWR has not held the lease for 10 years, they acquired it recently. (That does not impact diligence requirements, of course, however, the company has not been holding the lease for 10 years for speculative purposes.)

Combining leases into LMU's is a valid mechanism for promoting reasonable, logical, and more environmentally responsible development of coal leases, and not a means of allowing lessees to avoid diligence requirements. As discussed in the response to Letter 16, there is currently only one other existing lease in the Powder River Basin in the same category as the Rocky Butte lease regarding diligence, and it will expire in 1992 if diligence requirements are not met. Therefore, the opportunity for the BLM receiving similar requests in the future is quite limited.

2. Potential Adverse Impacts to Nearby Residents.

There are a number of mechanisms in place to protect the water supplies of nearby residents to mines. These include:

   1. A pre-mining blasting survey will be conducted at the expense of the company upon request for all residents within a half-mile of the permit boundary. A copy of this report is provided to the mine and to the resident as a means of establishing pre-mining conditions in the area.

   2. An Environmental Quality Council hearing will be held prior to permit approval if requested. At such a hearing, all residents in the vicinity of the proposed operation are notified through the public media and invited to attend and present testimony concerning the status of their wells. All wells

within three miles of the mine permit boundary must be shown in the permit document which is on public display prior to issuance of a permit.

3. As part of the permitting process, the lessee is required to do groundwater impact analyses (which take into account the existence of contiguous mines) to determine the expected extent of impacts to the overlying and underlying aquifer, and to the coal aquifer. DEQ then uses these analyses to identify in advance which wells are likely to be impacted as a result of coal mining. The analyses are then checked with results of monitoring to determine the extent of groundwater impacts on a yearly basis, and how well the analyses are predicting these impacts. If the analyses are not adequately predicting the impacts, DEQ can and has required additional analyses. The wells identified in this process will be replaced according to Wyoming law and SMCRA.

   These actions are all part of the permitting process.

   BLM does not agree that the lease terms should be modified as recommended. There are several reasons for this decision. First, as the discussion above indicates, there are several remedies in place for residents near coal mines. Secondly, based on discussions with the State Engineer's Office and the DEQ, there have been very few complaints to either agency concerning loss of water supplies as a result of coal mining. And, finally, there are a number of reasons for well failures, with or without coal mining, and it would not be reasonable to require replacement of wells because they fail and are located near a coal mine, without some evidence that the coal mine was responsible.

Wetlands and Riparian Areas.

3. As stated in the EIS, most of the riparian areas are associated with stockponds or reservoirs where levees have been constructed to hold water, and are thus already man-made wetlands. The detailed reclamation practices will be described in the permitting process. During the leasing process, a determination must be made as to what the existing situation is, and whether there are any lands which should be declared unsuitable (such as alluvial valleys floors which are significant to farming), and whether or not mitigation is possible according to regulatory requirements. Based on the existing operations in the Powder River Basin, the BLM has determined that such mitigation is possible for a surface coal mining operation. Specifics as to how mitigation will be accomplished will be included in the permit process.

4. The Army Corps of Engineers is not involved in the leasing process. They do become involved where appropriate in the permitting process.

5. The Environmental Protection Agency was inadvertently left off the list of agencies and interested groups who were sent copies of the draft. The EPA in Washington, D.C. received the first five copies of the draft as required for their Federal Register Notice on the availability of the DEIS, which appeared on Friday, January 17, 1992, p. 2093. The Region VIII office in Denver was also sent copies. Letter 1 of the comment letters is from the Region VIII office of the EPA.

6. The DEIS and FEIS were prepared by a contractor, Western Water Consultants, who has signed a disclosure statement as specified in the regulations. This statement of disclosure is available for viewing in the EIS file. 40 CFR 1506.5(c) does not state that such a statement must or even should be included in the draft EIS.

7. The BLM's preferred alternative has been identified as required in the FEIS. As quoted by the Wyoming Outdoor Council, the agency's preferred alternative should be identified in the draft, <u>if it exists</u>. The BLM had not made a decision on the preferred alternative when the draft was issued, and therefore it was not included in the DEIS.

Response to Letter 18, Powder River Basin Resource Council
(Numbered responses refer to numbered sections in comment letter)

1. Need and Alternatives

Much of the coal on eastern half of the existing lease is of lower quality than the coal currently being mined and marketed in the Powder River Basin, and is therefore not competitive at this time. The coal on the western part of the lease and underlying the LBA is of higher quality and more competitive than much of the coal on the eastern half of the existing lease, although the overburden is thicker in the west than the east. The company plans to start mining in the area containing the higher quality coal with the least overburden in the western part of the lease, in order to be more competitive with the current market. The addition of the LBA tract will allow them to mine this higher quality coal for a longer time. When the higher quality coal in the west has been mined, the remaining lower quality coal may be more salable. Therefore, the West Rocky Butte Tract has value beyond the need to form an LMU for diligence reasons.

The regulation cited is not in effect until the ten year period has elapsed, which will not be until February, 1993 (see response 1 to Wyoming Outdoor Council). At that point, the lease would be terminated anyway if diligence had not been met.

Leasing the coal tract at a later time was considered and is discussed in Section 2, Alternatives Considered But Not Analyzed in Detail. That alternative was not analyzed in detail because the environmental impacts of such an alternative would be expected to be within the range of those analyzed for the two principal alternatives, but an evaluation of the socioeconomic impacts would be very speculative.

Based on the quality of coal in this area and current market projections, BLM projects that it would be sometime between 2010 and 2020 before there would be interest in leasing the tract. The environmental impacts of mining the coal at that time would presumably be similar to or less than the impacts of mining the coal as described under the proposed action. (The impacts could be less, depending on advancements in technology and the level of activity at other mine sites in the basin at that time). Another lessee would develop their own mine plan which would not necessarily correspond to the mine plan developed by the applicant in terms of order of mining and rate of production. Evaluating the socioeconomic impacts of events that far in the future would be highly speculative. There would be a bonus bid if the lease were reissued, which is a positive consideration, however, the income from the mine would be delayed, which is a negative in an economic sense. Most of the income to the Federal and State governments accrues in the form of royalty income based on the price of coal, and that income would be delayed and could change favorably or unfavorably, depending on the price of coal at that point in the future.

Under the No Action Alternative, the West Rocky Butte lease would not be issued and the Rocky Butte lease would be terminated on February 1, 1993. While the EIS assumes that the coal would never be developed under the No Action Alternative for purposes of analysis, in reality, selection of that alternative would allow development of the lease in the future.

2. Gas Venting

There is not a history of gas accumulation in this area based on published reports, and compaction structures are not expressed in the rocks at the surface near the Rocky Butte Mine, as they are in the Rawhide Village area. Nor has extensive drilling revealed the presence of no-coal channels and/or compaction structures similar to those near Rawhide Village.

The BLM is aware of two proposed coal bed methane drilling projects in this area (northwest and west of the lease, one involves federal oil and gas leases, one is on privately-owned oil and gas leases). Commercial production has not been established in either one of these projects at this time.

3. Water Resources

Naturally high levels of selenium and other undesirable chemical constituents occur locally in the Powder River Basin. Overburden is analyzed during mining. When high levels of chemically undesirable overburden material are encountered, this material is handled and placed so as to avoid adversely affecting water quality. All mine permit applications submitted to WDEQ/LQD must include baseline data on overburden geochemistry and special handling plans for unsuitable spoil materials. This information is included under Mitigation (Appendix D) in the EIS.

Based on the backfill wells reported in the 1991 Annual GAGMO report, 55 percent were within the 3,000 to 6,000 mg/L range for TDS, 33 percent were below that range, and 12 percent were above. As discussed in Section 6.7.1, under cumulative water resources impacts, 56 monitor wells have been completed in the backfill areas in the Powder River Basin. According to the CHIA, the time it takes for one pore volume to leach through a spoils pile could be from 10s to 100s of years, the time it would take for the water to return to pre-mining quality would be longer than that.

4. Blasting

The EIS relies on the study of effects on blasting on private wells in Appalachia because that is the available documented data on the relationship between well damage and near-by blasting, not because it presumes that the geology of the Powder River Basin is the same as that in Appalachia. The study has validity in this case because it is a similar situation, namely water wells in close proximity to operating strip mines, and because maximum ground vibration level at the wells tested in Appalachia were significantly higher than will be allowed for ground vibration near the proposed Rocky Butte Mine. This discussion has been expanded in the Final EIS.

Another pertinent fact is that Northwest Resources operates the Colstrip Mine, which is in operation in close proximity to the town of Colstrip, Montana. In response to their proximity to the town of Colstrip, they have developed blasting practices which minimize impacts to nearby residences.

Finally, as pointed out in the EIS, nearby residents are entitled to a pre-blasting survey at the cost of the company in order to establish the performance and condition of water wells and other facilities. Copies are provided to the residents. These reports provide data concerning the condition of facilities prior to mining which can be used to verify the existence of blasting damage after the development of the mine.

5. Lower Fort Union Well

NWR does not plan to complete a well in the sands in the lower Fort Union based on the existence of good thick water-productive sands in the overburden in this area. If a well is completed by the mine in the Fort Union, the impacts of that well would not be expected to extend beyond a radius of a mile around such wells, as discussed in the CHIA.

6. Drawdowns

No regional drawdown information is available for the overburden (i.e., the Wasatch) because it is not a regional aquifer. The sandstone aquifers in the Wasatch are lenticular, and thus of limited regional extent. Additional discussion was added to the Final EIS to clarify this.

SMCRA recognizes that drawdowns occur outside the permit area, which is why SMCRA specifies compensation for wells damaged as a result of mining operations.

7. Statute

A direct quote from the pertinent statute can be found in Appendix D.

8. Ground-water Quality Impacts

Mitigation does not erase impacts, it reduces them. Therefore a significant short or moderate term impact can be reduced to a minor long-term impact. The BLM concludes that the impacts from degraded water quality in spoils will be moderate because the data we are relying on (primarily the CHIA and the results of monitoring wells during the last 10 years of monitoring) indicate that the water quality in spoils is suitable for stock use upon recharge, and that recharge is already occurring in most monitored spoils wells. Since the water in the aquifers being replaced by the spoils was suitable for stock use (not domestic use) prior to mining, and will be available for stock use after mining, this is considered to be a moderate impact. It may be tens to hundreds of years before the aquifer is returned to a postmining equilibrium condition, but that doesn't translate directly into a requirement of tens to hundreds of years before the water can be used for its premining use.

Communication with the State Engineer's Office, the City of Gillette, and Campbell County indicates that problems with wells in the Gillette area can be related to age of the wells, and proximity of wells completed in the same zone, as much as to depletion of the reservoirs. At this point in time, the BLM has no documented instances of an inability to replace water wells.

9. Cumulative Impacts

The cumulative impacts section on Water Resources does include much of the same information as has been published in the EA's for the proposed LBA's because cumulatively, these documents are looking at the same area and each document is addressing the cumulative impacts of all the proposed leasing to the region. The EIS includes the overlapping impacts of the mines adjacent to the proposed Rocky Butte Mine on water resources in the Environmental Consequences section of the EIS (Chapter 4). The predictive model discussed in that section simulates the impacts as a result of mining at the six closest surrounding mine sites. This is also stated in the DEIS, on page 6-13 ("The results of ground-water modeling of the Rocky Butte mine is described in Section 4 of this EIS and includes cumulative impact analyses"). The statement on page 6-14 of the DEIS has been revised.

10. Air Quality and Noise

The statement on page 4-21 of the DEIS is as follows: "PM_{10} impacts would be moderate within the Boundary during the mine operations. Exceptions would be areas in close proximity to operations." On page 4-19 of the DEIS, Boundary is defined as "the Boundary of the Lands That are Necessary to Conduct Mining Operations,...and coincident with the proposed Rocky Butte Mine permit boundary." Therefore, the area which may be heavily impacted is within the permit boundary, in close proximity to the mining operations.

11. Socioeconomics

There have been revision to the FEIS based on this and other comments. Comments were also received from the City of Gillette, and revisions have been made based on those comments. The BLM has contacted

and relied on the City of Gillette and Campbell County to help evaluate the positive and negative impacts of this action on the residents. Comments from the city and county can be found in letters 10, 11, and 12.

12. Conclusion

There are several mechanisms available during the permitting process which enable the replacement of wells and water systems which will be impacted by this action (See reply No. 2, letter 17, from the Wyoming Outdoor Council). Stipulations and conditions for minimizing noise should be explored during the permitting stage.

Response to Letters 19 through 24 from the following landowners who live west of the proposed lease by application area:

Wayne and Ronita Jo Kruse
Steven E. and Debora Jo Johnson
Jerry Stanart
Mara L. Stanart
Kirk and Teresa Blackford
Lee and Lori Edwards

The residents who live along Highway 59 west of the proposed lease area will be negatively impacted by the addition of the proposed lease by application area because it will result in mining activities which are located closer to their residences than the existing lease. The major concerns expressed by these landowners include noise, deterioration of air quality, impacts to water wells, houses and livestock as a result of blasting, and deteriorating property values.

There are standards for public nuisance, air quality, water well replacement, and blasting which must be met in order to be in compliance with federal regulations and/or permit requirements for mining. These standards will be enforced, however, the BLM recognizes that there may still be impacts to residents west of the mine due to the proximity of the mine to the residences. The concerns and requests not to lease expressed in the letters from these residents will be considered in the Record of Decision.

In the event that the Record of Decision is to lease the acreage to Northwestern Resources Co., as proposed, there are a number of opportunities for public involvement during the mine permitting process. These opportunities include (but are not limited to):

1. Pre-blasting surveys for houses and water wells;
2. A hearing before the Environmental Quality Council can be requested, at which time, water well conditions can be verified for residents in the vicinity of the proposed mine operation (see response 2 to the Wyoming Outdoor Council (letter 17)).
3. Water wells will be replaced by the mine operator if they are damaged by mining operations.

Residents who are concerned should contact the OSM and DEQ regarding their opportunities to be involved in the permitting process. The permitting period is also the appropriate time for the addition of specific stipulations such as continuous air quality and ground disturbance monitors to be requested.

The BLM does not participate in negotiations between landowners and federal lessees regarding property values and compensation. The regulations and permit do require replacement of water wells and repairs to structures damaged by mining. The pre-blasting survey establishes the pre-mining conditions, and therefore facilitates identification of damage caused by mining operations.

Finally, Northwestern Resources Co. operates the Colstrip Mines very close to the town of Colstrip, Montana. As a result of the mine's proximity to the town, the company has developed blasting procedures designed to minimize impacts off-lease.

Response to letters 25 through 29, from the following residents of the Nickelson Little Farms subdivision, located north of the existing Rocky Butte lease:

Sidney J. and Susan J. Sharp
Mr. and Mrs. Mikel R. Manley
David VanDamme
Nickelson Little Farms Board of Directors and The Committee for Concerned Nickelson Residents
John B. Wold

The residents of Nickelson Little Farms will be negatively impacted by mining activity on the existing Rocky Butte lease, but the impacts to those residents will not be increased by the addition of the proposed West Rocky Butte lease area. The Rocky Butte lease was issued in 1983, and a mine could have been opened on that lease subsequent to that time.

The concerns expressed by the Nickelson Little Farms residents are similar to those of residents west of the proposed West Rocky Butte tract: noise, deterioration of air quality, impacts to water wells, water systems, and houses as a result of blasting, and deteriorating property values. Several residents also requested road improvements when the road is relocated.

As stated in the previous response, there are standards which must be met in order to be in compliance with federal regulations and/or permit requirements for mining. These standards will be enforced, however the BLM realizes that there may still be impacts to residents in Nickelson Little Farms due to the proximity of the mine to the residences. The concerns and requests not to lease from these residents will be considered in the Record of Decision.

In the event that the Record of Decision is to lease the acreage to Northwestern Resources Co., as proposed, there are a number of opportunities for public involvement during the permitting process. Some of these opportunities are noted in the previous response. Residents who are concerned should contact OSM and DEQ regarding their opportunities to be involved in the permitting process. That is the appropriate point in the process to address many of the requests mentioned in these comment letters.

As stated above, the BLM does not participate in negotiations between landowners and federal lessees regarding property values and compensation. The regulations and permits do require replacement of water wells and repairs to structures damaged by mining. The pre-blasting survey establishes the pre-mining conditions, and therefore facilitates identification of damage caused by mining operations.

Finally, Northwestern Resources Co. operates the Colstrip Mine very close to the town of Colstrip, Montana. As a result of the mine's proximity to the town, the company has developed blasting procedures to minimize impacts off-lease.

The final letter in this group, from Mr. John B. Wold, included some specific comments. The following numbered responses correspond to the numbered comments in Mr. Wold's letter.

1. The proposal by Northwestern Resources Co. is in accordance with the regulations concerning diligence and Logical Mining Units (See responses to the Sierra Club, the Wyoming Outdoor Council, and the Powder River Basin Resource Council for further discussion of this issue).

2. That alternative has been included in section 2.4, Alternatives Considered But Not Analyzed in Detail. The discussion of that alternative has been expanded in the final EIS.

3. Please see comments from the Governor and other state agencies for their views and concerns.

4. Standards required by the permit and by regulations will not be exceeded. There may be impacts to nearby residents as a result of the proximity of the mine. The impacts to residents will be considered in the Record of Decision.

5 and 6. These issues should be addressed during the permitting stage.

7. There may be impacts to residents as a result of their proximity to the mine.

8. The table has been revised.

9. The air quality model does include all known emission sources. The cumulative effects of the adjacent mines were included in the air quality modeling which was done for the proposed mine. Standards would be met at the permit boundary, however, there could be impacts to nearby residents due to their proximity to the mine.

10. This issue should be addressed during the permitting stage.

11. The City of Gillette and Campbell County have not expressed these concerns to the BLM.

12. This should be addressed during the permitting stage.

Response to Letter 30, from Louis F. and Loverretta A. Wolff

The location of the market for the coal has not been established, however, the quality of the coal in the eastern portion of the existing lease does not make it competitive with other coal being sold in the Powder River Basin at this time. The existence of a coal mine could negatively impact oil and gas mineral and royalty owners, and this is stated in the Final EIS. The BLM policy at this time is to encourage negotiations between competing mineral lessees when conflicts arise. The BLM does not participate in these discussions. The BLM does require maximum economic recovery of federal coal during a mining operation.

Response to Letter 31, from John C. Corkery

There are certainly unknowns associated with allowing the lease to expire and attempting to release it in the future, as you have pointed out. The BLM estimates that the Rocky Butte lease would not be competitive for releasing until some time between 2010 and 2020. This is discussed in Section 2.4 of the Final EIS, under Alternatives Considered But Not Analyzed In Detail.

Response to Letters 32 through 36, from Paul Rourke, Chuck Rourke, James F. Rourke, Kathryn Jackson, and Vione Lane

Thank you for your letter. The BLM agrees that there would be benefits to the area as a result of leasing and mining the West Rocky Butte tract, and this will be taken into account in the Record of Decision.