



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Glennallen Field Office  
P.O. Box 147  
Glennallen, Alaska 99588  
<http://www.blm.gov/ak>

## **Ellet Enterprises, Mine Plan of Operations** Environmental Assessment, DOI-BLM-AK-A020-2014-0003-EA

Case File, AA-078887

### **FINDING OF NO SIGNIFICANT IMPACT**

#### **Background**

The Bureau of Land Management (BLM) has prepared an Environmental Assessment (EA) (DOI-BLM-AK-A020-2014-0003-EA) analyzing the effects of Ellet Enterprises Inc.'s (Ellet) proposed Mine Plan of Operations, which includes an expansion of existing placer mining activity along Valdez Creek in the Valdez Creek Mining District, Alaska. Ellet is currently mining on five federal claims under a mine plan approved by the BLM in 2000.

Ellet is proposing to mine for placer gold along bedrock formations that intersect the current mining pit south of the Valdez Creek main channel. The project requires permanent relocation of an approximately 528-foot section of Valdez Creek to allow for expansion of the current mining pit to the north. The projected mine life is 25 years; the applicant intends to start mining in 2015.

The unpatented mining claims that are associated with this operation are owned by Ascension LLC. Ellet is the lessee authorized to operate on these claims.

This Finding of No Significant Impact (FONSI) has been prepared for Alternative 2, the Proposed Action Alternative.

#### **Finding of No Significant Impact**

This action and its effects have been evaluated consistent with the Council on Environmental Quality regulations for determining *significance*. Per 40 CFR § 1508.27, a determination of *significance* requires consideration of both context and intensity. The former refers to the relative context in which the action would occur such as society as a whole, affected region, affected interests, etc. The latter refers to the severity of the impact.

#### *Context*

This project is located within the Valdez Creek Mining District, along the Denali Highway in central Alaska. This area has been mined and reclaimed since the early 1900's. The current mine operates on 45.8 acres of approximately 350 acres of unpatented federal mining claims

managed by the BLM. These claims overlay a combination of State of Alaska patent land and State-selected land. The operator is allowed to have up to 90 acres of disturbance at any one time under the current 2000 Mine Plan. There are several other active mining claims within this mining district of similar scale.

Within the Valdez Creek Mining District, there are three other federal placer mining operations and over six State of Alaska placer mines. The average size of the federal placer operations is 30 acres. One of the federal placer operators has acquired another operation which will create an aggregate surface disturbance of over 60 acres. The State of Alaska operations within the Valdez Creek Mining District encompass a large area and have produced several hundred acres of surface disturbance. The Cambior Mine, the largest placer operation in the District and the largest placer operation in the state during its active mining years, created over 800 acres of surface disturbance and has since been fully reclaimed.

The Ellet Enterprises Mine Plan proposal of 90 acres of maximum surface disturbance is comparable to some of the state's larger placer operations. Placer operations that encompass an area of 50 to 100 acres are considered large operations whereas the average placer operation is between 5 and 30 acres. Large lode mines in the state, such as the Fort Knox mine, have surface disturbances of more than 300 acres. The BLM administers mining operations throughout the United States; in Nevada, the BLM manages mines that are in excess of 7,000 acres (Barrick Goldstrike Mines, Inc.).

### *Intensity*

#### *1. Impacts that may be both beneficial and adverse.*

The EA considered and disclosed potential beneficial and adverse effects of the Proposed Action Alternative. For example, the EA discloses that activities associated with relocating a section of Valdez Creek would displace riparian wildlife within the affected area (EA, p. 37). However the EA also demonstrates that this loss of habitat is not expected to cause a negative effect on the population level to the riparian wildlife in the area (EA, p. 38). The EA discloses that the Proposed Action Alternative would result in the loss of 3.1 acres of riparian and aquatic habitat until proper functioning condition could be reestablished, which can take 10 – 20 years or longer (EA, p. 34). The EA also demonstrates that, under the Proposed Action Alternative, mine water discharge would be controlled through a permitted mixing zone, reducing the potential problems with turbidity violations associated with the existing Mine Plan, the No Action Alternative (EA, p. 42).

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

Design Features for the activity include Federal and State requirements for the safe handling and disposal of human waste (EA, p. 16), hazardous materials (EA, p. 18), and storm water pollution (EA, p. 18). Additionally, the access road to the active mining area is required to be labeled and clearly identified for safety reasons to prevent unnecessary entry (EA, p. 17), as required by the Mine Safety and Health Administration (MSHA) and in accordance with 43 CFR § 3809.420(b)(13). Therefore, given implementation of Design Features and MSHA requirements, the degree to which the proposed action affects public health and safety will be minimal and does not rise to a level of significance to warrant further analysis.

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

No park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas are present at the project site. The closest recorded cultural resource, burned to the ground in the late 1990s; previous surveys of the area (1990s) and a recent visit to the site located no intact cultural resources (EA, p. 9). Additionally, Design Features are included in the EA for the protection of any cultural resources discovered during the course of mining activities (EA, p. 18).

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

The anticipated effects of the Proposed Action Alternative are similar to many other BLM authorized placer mining operations. The project area has been mined and reclaimed since the early 1900s and several other mines are being actively operated in the area. There is controversy over the design of the stream relocation in the Proposed Action Alternative. However, the stream relocation encompasses an overall small footprint, relative to the entire drainage and does not rise to a level of significance that would require the preparation of an Environmental Impact Statement.

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

Placer mining is common to BLM-managed lands nationally as well as in Alaska, and has been occurring in Valdez Creek since the early 1900s. There is neither uncertainty nor unknown risk associated with the requested use, particularly at this scale.

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

The proposed activity is consistent with allowable uses under the East Alaska Resource Management Plan Record of Decision and Approved Plan of 2007, (EA, p. 5). This Proposed Action Alternative neither establishes a precedent nor represents a decision in principle about future actions. Furthermore, the mining operation would be reviewed every five years for regulatory consistency, which would allow the plan to continue on modification renewals. Major plan modifications would require a new environmental assessment (EA, p. 10).

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

Overall, the potential cumulative effects resulting from the Proposed Action Alternative are limited. The requested use would impact up to an additional 44 acres (EA, p. 11). The EA acknowledges that past mining activities have affected 6.5 miles of the 13 miles Valdez Creek (EA, pp. 34, 36, 38, 41). The Proposed Action Alternative will impact an additional 528 feet of stream, contributing to a cumulative effect on Valdez Creek. However, the operator is required to follow best management practices, regulations, *Design Features and Mitigation Measures*, as well as standard operating procedures, stipulations, and perform required reclamation to mitigate these impacts. (EA, pp. 18-27, 35-36)

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

As stated for intensity factor #3, the Proposed Action Alternative would have no known effects on cultural resources (EA, p. 9)

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

Based on currently available information, the Proposed Action Alternative would not affect any threatened or endangered species or their habitats, therefore no consultation with the U.S. Fish and Wildlife Service is considered necessary pursuant to Section 7 of the Endangered Species Act of 1973 (EA, p. 8).

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

Based on the environmental analysis, the Proposed Action Alternative does not threaten to violate Federal, State or local law or requirements (EA, p. 6).

## **Conclusion**

Therefore, on the basis of the information contained in the EA (DOI-BLM-AK-A020-2014-0003-EA), and all other information available to me, it is my determination that:

1. None of the environmental effects identified for the Proposed Action Alternative meet the definition of significance as defined by context and intensity considerations at 40 CFR § 1508.27;
2. The Proposed Action Alternative is in conformance with the ROD for the East Alaska RMP/ROD (2007); and
3. The Proposed Action Alternative does not constitute a major federal action having a significant effect on the human environment.

Therefore, neither an Environmental Impact Statement nor a supplement to the existing EA is necessary and neither will be prepared.

*/S/ Dennis C. Teitzel*

*1/13/2015*

---

Dennis C. Teitzel  
Glennallen Field Manager

---

Date

## **Attachments**

1. BLM 2014: *Ellet Enterprises Environmental Assessment*, DOI-BLM-AK-A020-2014-0003-EA