



United States Department of the Interior

BUREAU OF LAND MANAGEMENT



Idaho Falls District Office
1405 Hollipark Drive
Idaho Falls, Idaho 83401
(208) 524-7500

<http://www.id.blm.gov/offices/idfalls>

Reply Refer To:

3500
I-28115, I-0258

Dear Interested Party,

The Bureau of Land Management (BLM) has completed its assessment of Simplot's proposal to conduct exploratory drilling to gather geologic resource and other environmental data on public lands located in the Slug Creek area of Southeastern Idaho. In accordance with the National Environmental Policy Act, BLM prepared an environmental assessment to analyze the proposal and alternatives. We appreciate and have considered the input that you may have provided us during the process of preparing the assessment.

The East Access Alternative was selected subject to site-specific conditions. All roads, drill sites, and other surface disturbance will be obliterated upon final reclamation. The BLM has signed a Finding of No Significant Impact for the project.

A copy of the BLM decision is attached. Thank you for your interest in the management of public natural resources. If you have any questions, please contact Barry Myers, project manager, at (208) 478-6369.

Sincerely,

Joe Kraayenbrink
District Manager

Enclosures:

BLM Decision Record and FONSI

Finding of No Significant Impact/Decision Record

Dairy Syncline Drilling Project

I have reviewed J.R. Simplot Company's (Simplot) Proposed Drill Plan and BLM's Environmental Assessment # ID-I020-2010-0045-EA, *Dairy Syncline Drilling Project* (EA) including the explanation and resolution of any potentially significant impacts. I have taken into consideration the concerns of public scoping respondents, the recommendations of a BLM interdisciplinary resource specialist team, and local land owners.

I have reviewed the EA, have considered all alternatives, and have selected the East Access Alternative as described in Section 2.2 of the EA, along with the environmental protection measures outlined in Section 2.4 of the EA and the *Conditions of Approval* included at the end of this Decision Record.

Purpose of the Project

The purpose and need for this drilling project is to gather subsurface geologic data to determine the mineral potential of the proposed sale parcel, and to gather geotechnical and other environmental data in the vicinity of the proposed tailings impoundment. Data gathered from this drilling project would be utilized for analysis in the environmental impact statement (EIS) being prepared for the Dairy Syncline Mine and Reclamation application, primarily the portion of the application that proposes to place a tailings pond on this parcel of public lands.

Scoping

On April 14, 2010, the BLM sent 23 Notice of Scoping letters to potentially interested and affected individuals, groups, and agencies, requesting comments and input for the project. The Notice of Scoping was also posted on BLM's web based NEPA register (https://www.blm.gov/epl-front-office/eplanning/nepa/nepa_register.do). Two responses were received during the public comment period.

The Notice of Scoping letter sent out on April 14, 2010 was sent to the Business Council and technical staff of the Shoshone-Bannock Tribes to coordinate the proposed drill plan. The Project was also discussed during the August 26, 2010 coordination meeting with the Tribal Environmental Program Manager and other Tribal staff at Fort Hall, Idaho. The goal of this coordination was to assure the Tribal government, Native American community, and those individuals with interests have a sufficient opportunity for productive participation in BLM resource management decision-making as set forth in BLM Manual Section 8160. After discussing the Proposed Action, Tribal staff did not identify specific issues or concerns or a need for consultation with the Tribal Business Council, but expressed interest in knowing BLM's decision and being informed of proposed activities that might occur in the future.

Issues identified in the public response letters, as well as issues identified by a BLM Interdisciplinary Resources Team, were used to prepare the EA for the proposed action and associated environmental protection measures and conditions of approval.

Description of Alternatives

Three alternatives were evaluated through the analysis- the No Action Alternative, the Proposed Action Alternative, and the East Access Alternative. Other alternatives were considered, but not carried through analysis because they either did not meet the purpose and need of the project or were outside of the scope of the project.

The No Action Alternative would not have allowed any data collection in the project area. Consequently, additional disturbance related to road building and drilling activities would not have occurred in the project area.

The Proposed Action Alternative involves advancing up to 11 drill holes to determine if the phosphatic shale member of the Phosphoria Formation underlies the southeast quarter of Section 6 and the northeast

quarter of Section 7 of T9S R44E. Additionally, eight boreholes are proposed in the vicinity of the proposed tailings impoundment area to gather geotechnical and environmental data, which would be utilized in the EIS that is being prepared for the Dairy Syncline Mine and Reclamation Plan application. All proposed drill holes are located entirely on BLM managed public lands.

Under the Proposed Action Alternative, access to the project area is proposed from the north through private lands. It is anticipated that the drilling would be completed in a 2-3 month time frame (June to August). This alternative would require the construction of new temporary roads, and upgrading various portions of existing roads. Road widths are not expected to exceed 20 feet. New, temporary road construction and existing road upgrades would yield a total disturbance of approximately 12.8 acres, of which approximately 9.3 acres would be on public lands, with the remainder on private property. Water required for the drilling activities would be obtained from Slug Creek at the Slug Creek Road crossing between sections 19 and 30 in T8S, R44E.

The East Access Alternative is the same as the Proposed Action Alternative, with the following exceptions:

1. Access to the project area is proposed from the southeast through both private and public lands;
2. New, temporary road construction and existing road upgrades would yield a total disturbance of approximately 13.8 acres, of which approximately 11.3 acres would be on public lands;
3. Water required for the drilling activities would be obtained from Slug Creek in the NE1/4 NW1/4 of Section 16, T9S, R44E, near the location where the east access leaves the Slug Creek Road.

Decision Rationale and Statement of Land Use Plan Compliance

The long-term reclamation goal for the Project is to create a safe, stable, and productive post-drilling land use. The post-drilling land use of the Project Area would be similar to the pre-drilling land use: mineral exploration, timber and vegetation management, wildlife habitat, recreation, and livestock grazing. Concurrent reclamation would commence upon the deactivation of specific drilling activities. Establishment of self-sustaining vegetation communities on reclaimed sites would reduce the potential for soil erosion and provide forage for livestock and wildlife utilization. This post-drilling land use is consistent with the Pocatello Resource Management Plan (BLM 1988).

The 2010 BLM Mineral Potential report, prepared for the parcels of BLM land proposed for sale as a part of the Dairy Syncline Mine and Reclamation Plan application evaluation, recommended that a drilling program be conducted to determine if the phosphatic shale member of the Phosphoria Formation underlies the southeast quarter of Section 6 and the northeast quarter of Section 7 of T9S R44E. This data is to determine if the lands proposed for sale to Simplot have either no mineral potential or that the sale of land includes the value of the mineral potential as required by 43 CFR 2720.1-3 Part c. Boreholes within the Project Area in the vicinity of the proposed tailings impoundment area are also proposed to gather geotechnical and environmental data. This information would be utilized in the EIS which is being prepared for the Dairy Syncline Mine and Reclamation Plan application.

The Proposed Action Alternative and the East Access Alternative, with mitigation, would both satisfy the recommendation of the 2010 BLM Mineral Potential report, and would satisfy the geotechnical and environmental data needs in the vicinity of the tailings impoundment.

Although the Proposed Action Alternative would meet the purpose and need of the drill plan, the entire length of the access road is located within key sage grouse habitat. Total disturbance within key sage grouse habitat is approximately 8 acres.

The access road outlined in the East Access Alternative is not located within key sage grouse habitat, but would require a wetland crossing. The wetland which would be crossed with the access road has been heavily impacted by grazing. According to the U.S. Army Corps of Engineers, the agency charged with

implementing Section 404 of the Clean Water Act, the crossing would be exempt from Section 404 permitting under 33CFR 323.4(a)(6), which is for “Construction or maintenance of ... temporary roads for moving mining equipment.” The use of a type of temporary crossing that would meet these requirements both during the active phase of the project and after the crossing is removed and reclaimed would be required. The use of the environmental protection measures outlined in Section 2.4 of the EA would reduce the potential impacts from erosion and sedimentation to a negligible level.

Selection of the East Access Alternative would reduce the amount of disturbance in key sage grouse habitat by approximately 3.5 acres as compared to the Proposed Action Alternative. Activities conducted under the East Access Alternative, as mitigated by the environmental protection measures outlined in the EA and *Conditions of Approval* in this decision, are predicted to meet environmental, land use planning, and other applicable established requirements, and could be performed with “no significant impacts”.

Although selection of the No-Action Alternative would not result in any direct environmental impacts, it would not meet the purpose and need of the project. It is my determination that the East Access Alternative with mitigation measures would meet the purpose and need of the project, without resulting in significant environmental impacts. The alternative also would have less potential to impact sage grouse than would the Proposed Action. For these reasons, selection of the No-Action Alternative or the Proposed Action Alternative is not warranted.

The Project is subject to the “Pocatello Resource Management Plan and Environmental Impact Statement” (BLM 1988). I have reviewed this land use plan and applicable regulations, and I have determined that the East Access Alternative is in compliance with the land use plan, as well as with federal, state, and local laws and regulations.

Finding of No Significant Impact/Decision

I have determined that the implementation of the East Access Alternative, with the mitigation measures described below, and as set forth in the EA, will have *No Significant Impacts*, and thus an Environmental Impact Statement is not required. I approve the drilling plan as described in Section 2.2 of the EA, East Access Alternative, subject to the environmental protection measures outlined in the EA and the *Conditions of Approval* included at the end of this Decision Record.

My decision allows for full implementation of the approved drilling plan. Minor modifications to the plan may be made to ensure that adequate geologic and environmental information is obtained as long as impacts from the minor modification are within the scope of the EA for the project (Environmental Assessment # ID-I020-2010-0045-EA) and BLM determines this to be the case in advance.

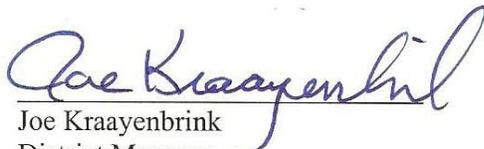
This decision does not authorize the sale of public lands, nor is a land sale part of the proposed action. Consideration of the sale of public lands is outside the scope of this proposal. Any potential impacts of the sale of public lands will be considered in the EIS which is currently being prepared separately for the Dairy Syncline Mine and Reclamation Plan application.

Public Availability

Copies of this EA and BLM decision will be available for review at the BLM Pocatello Field Office in Pocatello, Idaho, and on BLM’s web based NEPA register (https://www.blm.gov/epl-front-office/eplanning/nepa/nepa_register.do). For further information contact: Barry Myers, BLM Pocatello Field Office, 208-478-6369.

Appeal Information

Any party who is adversely affected by this decision has a right to appeal to the Interior Board of Land Appeals, in accordance with the provisions described in 43 CFR Part 4. A person who wishes to appeal must file in the office of the officer who made the decision a notice that he wishes to appeal. In this case, the deciding officer is the District Manager, Idaho Falls District Office, 1405 Hollipark Drive, Idaho Falls, Idaho 83401. This notice must be filed within 30 days after the party is served with this decision. A petition for stay, if any, (43 CFR 4.21) must be delivered to the Idaho Falls District Office within the same 30-day period. The notice of appeal must identify the decision being appealed and may include a statement of reasons for the appeal and any argument the appellant wishes to make. If the notice of appeal does not include the statement of reasons for the appeal, the appellant shall file such a statement with the Interior Board of Land Appeals, Office of Hearings and Appeals, 801 North Quincy Street, Arlington, Virginia 22203, within 30 days after the notice of appeal was filed. The appellant shall serve a copy of the notice of appeal and of any statement of reasons and arguments on the Field Solicitor, U.S. Department of the Interior, Federal Building & U.S. Courthouse, 550 West Fort Street, MSC 020, Boise, ID 83724, not later than 15 days after filing the document. Service of the copy may be made by delivering the copy personally or by sending it by registered or certified mail, return receipt requested.


Joe Kraayenbrink
District Manager

February 17, 2011
Date

Attached: Conditions of Approval

Dairy Syncline Drilling Project

BLM Environmental Assessment # ID-I020-2010-0045-EA

Conditions of Approval

The conditions of approval listed in this document are in addition to the best management practices, environmental protection measures, and other measures outlined in the environmental assessment, as well as the plans and environmental protection measures set forth in the approved drill plan. Simplot, its contractors, and other entities involved in the project must adhere to the plans and stipulations set forth in the approved drill plan, in the EA, and this document. Any deviations from this drill plan must be submitted to the BLM for approval prior to action.

General

1. Simplot is responsible to ensure that all personnel contracted or otherwise doing work on the Project are aware of these conditions of approval and requirements and abide by all regulations and conditions of approval governing this Project.
2. The BLM may inspect the project at any time during the project, in order to ensure compliance with Best Management Practices, Environmental Protection Measures, and other requirements. BLM will coordinate such inspections with Simplot to allow for safe access to and from the site. Simplot representative(s) will be allowed to accompany site inspections.
3. Simplot must flag the proposed drill sites and roads to be constructed/reconstructed on the ground and hold an onsite meeting with BLM prior to any surface disturbance.
4. Simplot must notify the BLM at least 48 hours prior to commencement of the project.
5. Unless prior authorization is granted by the authorized officer, Simplot and its contractors shall adhere to the following:
 - (1) No construction or exploration activities are allowed in the area after August 31 of any calendar year;
 - (2) No construction or exploration activities may begin until June 15 in those areas outside of key sage grouse habitat; and
 - (3) No construction or exploration activities may begin until July 1 in those areas within key sage grouse habitat.
6. At the conclusion of the drilling project, the constructed exploration roads will be fully reclaimed and blocked off to public traffic.

Timber Resources

7. Any merchantable timber in disturbance corridors on BLM lands shall be purchased by Simplot before construction in that corridor begins in accordance with BLM procedures.

Domestic Livestock Grazing

8. Simplot must install temporary fencing to protect equipment and grazing activities, unless otherwise approved by BLM.

Drilling/Data Collection

9. Simplot will advance the geologic boreholes to a total depth of not less than 350 feet, unless otherwise approved by BLM.
10. Simplot will provide BLM the following for each of the geologic boreholes:
 - (1) Electronic copies of the drill logs for each borehole;
 - (2) Gamma log of each borehole, if taken;

- (3) Make drill cutting samples available for BLM inspection on every 2 foot interval for the total depth of the borehole, or as drill samples are returned;
 - (4) All lab analyses for any potential phosphate ore samples;
 - (5) Upon request, Simplot will make available to BLM split of samples used in lab analyses for any potential phosphate ore samples; and
 - (6) Any other geologic or environmental information collected from the boreholes.
11. Prior to advancing tailings impoundment boreholes, Simplot will coordinate data collection objectives with BLM to ensure adequate data is collected for the environmental impact statement being prepared for the Dairy Syncline Mine and Reclamation Plan application.