



NOTICE OF PROPOSED ACTION OPPORTUNITY TO COMMENT

United States
Department of
Agriculture

Forest Service

Humboldt-Toiyabe
National Forest

May 2008

QUITO MINERALS EXPLORATION PROJECT

AUSTIN RANGER DISTRICT
LANDER COUNTY, NEVADA

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COMMENTS WELCOME

The Austin Ranger District of the Humboldt-Toiyabe National Forest welcomes your comments on the Quito Minerals Exploration Project proposed by Meridian Minerals Inc. The project would consist of constructing temporary roads, construction of staging areas, drill sites, and sumps. Total project-related disturbance would be up to 20 acres over five years within Lander County, Nevada.

The Forest is now seeking public comments specific to the proposed Quito Minerals Exploration Project. The purpose of this comment period is to provide additional opportunity for public participation prior to a decision by the Responsible Official. In addition, submission of comments during this period is required to establish appeal eligibility. Written, facsimile, hand delivered, oral, and electronic comments concerning this action will be accepted for 30 calendar days following the publication of the Notice of Proposed Action in the *Reno Gazette-Journal*. For detailed information on how to provide comments, please refer to the "Comment Process" section of this document.

LOCATION

The project is accessed from Austin, Nevada, by traveling west on Highway 50 for approximately two miles then south through Reese River Valley approximately 12 miles on the Big Creek Road that turns into FS Road 002 at the Forest Service boundary in Dry Creek. The road traverses approximately 2.5 miles along Dry Creek up and over the range into the area that drains into the Birch Creek watershed. The project is located on National Forest System lands administered by the U.S. Forest Service in Section 36, Township 18 North, Range 43 East (T18N, R43E), Section 1, T17N, R43E, and Sections 19, 20, and 31, T18N, R44E.

PURPOSE AND NEED FOR ACTION

The purpose of and need for the proposed action is to identify and delineate mineral ore deposits, specifically by exploration drilling, on National Forest System lands in the project area to locate and delineate precious mineral deposits. The statutory right of Meridian Minerals Inc. to explore for and develop mineral resources on federally administered lands is recognized in the General Mining Law of 1872 and is consistent with the Toiyabe National Forest Land and Resource Management Plan of 1986 (IV-50). Surface management regulations (36 CFR part 228) require that all mineral exploration, development, and operations activities be conducted in a manner that minimizes adverse environmental impacts on National Forest surface resources (36 CFR part 228.8).

DECISION FRAMEWORK

Based on the environmental analysis and disclosure documented in the EA, the Deciding Official will decide 1) whether to select the proposed actions as proposed or modified, or as described in an alternative; 2) what mitigation measures are needed; and 3) what monitoring is required.

THE PROPOSED ACTION

This is an exploration project that would occur in two target areas, the Spires Target Area in the north and the BCG Target Area in the south (see attached figure). Total surface disturbance associated with the project would not exceed 20 acres and would occur anywhere within the two target areas in phases based on drilling results over a maximum of five years.

The project would consist of phased mineral exploration using a reverse circulation or core drill rigs at approximately 59 sites in the two target areas. Approximately seven miles of new temporary road construction, 0.33 mile of maintenance on existing road, and 0.88 mile of overland travel will be required to gain access to the drill sites. Approximately 59 drill sites will be constructed and each drill site will be approximately 40 feet wide by 60 feet long. Sumps to contain cuttings will be constructed within the drill pad and will be approximately five feet wide by ten feet long and five feet deep. Up to four staging areas for drilling equipment, water tanks, sample storage, or other equipment and supplies may, as needed, be located on National Forest System lands in both of the target areas. Each staging area will be considered surface disturbance (approximately 200 feet by 20 feet) and will be subject to the Forest Service permitting requirements and reclamation measures.

Under the first phase Meridian will construct up to 16,000 feet of exploration roads (i.e., 20-foot disturbance width) and approximately 5,600 feet by overland travel (i.e., 10-foot disturbance width). The new road construction, overland travel, and drill sites under the first phase will result in approximately 9.96 acres of surface disturbance (Table 1). The amount of road and drill site disturbance in subsequent phases would be based on results obtained from the phased exploration work.

In the first phase, Meridian will construct up to 22 drill sites and each drill site will be approximately 40 feet wide by 60 feet long. Sumps to contain cuttings will be constructed within the drill pad and will be approximately five feet wide by ten feet long and five feet deep. In Phase I, two staging areas for drilling equipment, water tanks, sample storage, or other equipment and supplies may, as needed, be located on National Forest System lands near Birch Creek.

Disturbance in subsequent phases would not exceed 10.04 acres of surface disturbance, with approximately 8.21 of disturbance associated with constructed roads, 0.75 acre associated with overland travel, and 1.08 acres associated with constructed drill sites. The total amount of surface disturbance associated with the road building, staging area, drill sites, and sumps will be approximately 9.96 acres in the first phase and 10.04 acres in subsequent phases for a total of 20 acres.

Table 1: Project Related Surface Disturbance

Exploration Activity	Phase I Planned Surface Disturbance (acres)	Subsequent Phases Surface Disturbance (acres)	Total Disturbance (acres)
Constructed Roads	7.28	8.21	15.49
Overland Travel	1.29	0.75	2.04
Constructed Drill Sites	1.21	1.08	2.29
Staging Areas	0.18	0.00	0.18
Total	9.96	10.04	20.00

A dozer (D7 or equivalent) will be used to clean the existing roads, construct the new roads, and build drill pads. A backhoe will be used to dig sumps. Vehicles using the access road will include drill rigs, associated water trucks for the drill rigs, and four wheel drive vehicles. The drill roads will have a ten to 15-foot wide travel width (with an average disturbance width of 20 feet). At one stream crossing a culvert will be required. Grades of the roads will be kept to below ten percent unless a steeper grade is needed for a short pitch to reach a drill site.

The project is currently scheduled for implementation in summer 2008.

RECLAMATION

The intent is to reclaim the project area to a beneficial land use, prevent unnecessary degradation of the environment, and reclaim disturbed areas to ensure visual and functional compatibility with surrounding areas. Reclamation will be completed to the standards described in 36 CFR 228.8(g). Exploration drill sites and temporary roads will be recontoured to approximate the original shape of the ground prior to drill site construction and to blend with the surrounding area. The area will then be reseeded with a USFS-approved certified weed free seed mix at the appropriate time of year and at an application rate for optimum seed sprouting and plant growth. The seeding will be completed using a broadcast method and then raked. The reclaimed surfaces will be left in a textured or rough condition. Sumps will be backfilled with spoil material and the surface will be seeded in accordance with the methods described above. Seeded areas will be monitored for stability and revegetation success, during the spring or fall, for a minimum of three years until attainment of the revegetation standards established in the Nevada Guidelines for Successful Revegetation for the NDEP, the Bureau of Land Management, and the USDA Forest Service (Instruction Memorandum #NV-13).

During the exploration program, reclamation activities will involve management of drilling procedures to contain cuttings and drilling fluids and to keep worksites clean and safe. Concurrent reclamation of roads and drill sites will be done to the extent possible during operations. Final reclamation will be completed within one year of project completion, temporary shut-down, non-use, or abandonment. The USFS will be notified before the commencement of final reclamation work.

All drill holes will be plugged in accordance with Nevada Administrative Code (NAC) 534.4371.4. If ground water is encountered, the hole will be plugged pursuant to NAC 534.4371.2. Drill holes will be plugged prior to the drill rig moving from the drill site. In the event that no personnel are on site for extended periods of time, all drill holes, including partially completed holes, will be plugged.

Table 2: Exploration Reclamation Schedule

TECHNIQUES	MONTH											
	J	F	M	A	M	J	J	A	S	O	N	D
Regrading												
Seeding												
Monitoring												

MITIGATION MEASURES

Mitigation measures are proposed to avoid or minimize negative effects to resources surrounding and within the project area. Specific measures include:

Air Quality

- Dust from roads will be minimized by encouraging contractors and staff to minimize trips to and from the drill rig on a daily basis.

Water Quality

- Sediment control structures, including fabric and/or straw bale filter fences, siltation or filter berms, mud sumps, and downgradient drainage channels would be used.
- Sediment traps (sumps) will be constructed as necessary adjacent to the drill sites to settle cuttings and prevent their release.
- Project activities would avoid springs and seeps.
- All bladed roads will have waterbars constructed, as needed.
- Meridian Minerals Inc. will prevent debris from entering stream courses and in the event debris enters stream courses in any amount that may adversely affect the natural flow of the stream, water quality, or fishery resource, Meridian Minerals Inc. will remove the debris within 48 hours in a manner agreed to with the USFS that will minimize disturbance to stream courses.
- Wheeled or tracked equipment will not be operated in streams except at crossings approved by the Forest Service.
- One temporary culvert will be installed in a tributary to Birch Creek in order to reduce sediment in the stream and promote safe passage of equipment.

Wildlife and Vegetation

- Disturbed areas would be reclaimed to restore habitat.
- No sensitive plant species were identified in the project area during a field survey.

- Raptor nests identified during a wildlife survey in the project area would be avoided during the project.

Migratory Birds

- A migratory bird nest survey would be conducted yearly within potential breeding habitat prior to any surface disturbance.

Noxious Weeds

- Implement noxious weed assessment prevention measures.
- Wash all vehicles entering/leaving the project area within a designated vehicle washing staging area

Cultural Resources

- A cultural resource survey has been conducted and one site and one isolate were recorded in the northern target area and will be avoided by exploration activities.

Public Safety

- All equipment and other facilities would be maintained in a safe and orderly manner.
- Signs would be posted at the entrance of roads that access the project area when exploration activities are in progress.

MONITORING

Throughout the project, Meridian Minerals Inc. will cooperate with the USFS to inventory and monitor noxious weeds/undesirable plants within areas of disturbance. At the conclusion of the project, seeded areas will be monitored for stability and revegetation success, during the spring or fall, for a minimum of three years until attainment of the revegetation standards established in the Nevada Guidelines for Successful Revegetation for the NDEP, the Bureau of Land Management, and the USDA Forest Service (Instruction Memorandum #NV-13).

SCOPING

A scoping letter was sent to the public by the Forest Service on April 11, 2007, requesting comments on a Categorical Exclusion for exploration in the project area. The project has since been revised to include a larger area.

PRELIMINARY ISSUES

The following preliminary issues have been identified for the project by the USFS:

1. Wildlife - Potential impacts to mule deer, nesting, raptors, and greater sage-grouse as a result of project-related activities.
2. Water Quality - Potential impacts to surface water quality as a result of erosion and sedimentation.

3. Roadless Area - Potential impacts to the roadless character and wilderness attributes of the roadless area as a result of project activities would be analyzed.

Table 3: Preliminary Effects Analysis

Resource	Potential Project-related Impacts
Wildlife	A survey for wildlife was conducted in the project area in June 2007. No sensitive species were located within the project area. The effects of the project to wildlife are expected to include displacement and reduction in forage and habitat. Similar habitat is located immediately adjacent to the project. It is likely that wildlife would migrate out of the project during activities and return after reclamation; therefore, impacts to wildlife are expected to be short-term (i.e., the life of the project).
Neotropical Migratory birds	A maximum of 20 acres of surface disturbance could result in the destruction of active nests or disturb the breeding behavior of migratory bird species; however, disturbance would be localized and would be spread out over five years. Surveys would be conducted during the migratory bird nesting season in the project area; therefore, impacts to neotropical migratory birds would be minimized.
Water	Birch Creek is located adjacent to the project area. Meridian Minerals Inc. would conduct exploration activities so as to minimize soil erosion. Equipment would not be operated when ground conditions are such that excessive resource damage or increased sediment transport would occur. Best Management Practices (BMPs) would be utilized to control erosion and sedimentation. Meridian Minerals Inc. would prevent debris from entering stream courses and in the event Meridian Minerals Inc. causes debris to enter stream courses in any amount that may adversely affect the natural flow of the stream, water quality, or fishery resource, Meridian Minerals would remove the debris within 48 hours in a manner agreed to with the USFS that would minimize disturbance to stream courses. Wheeled or tracked equipment would not be operated in streams except at crossings approved by USFS. One temporary culvert would be installed in a tributary to Birch Creek in order to reduce sediment in the stream and promote safe passage of equipment. Therefore, impacts to water quality in the project area would be minimal.
Inventoried Roadless Areas	Potential impacts may include an increase of unauthorized traffic in inventoried roadless areas. Constructed roads would be reclaimed at the end of the project; therefore, impacts to the character of the inventoried roadless area would be minimized.
Cultural	A cultural survey was conducted in the project area in October 2007. The survey located one historic mining prospect and one isolated prehistoric artifact. The prospect was not recommended

Resource	Potential Project-related Impacts
	for NRHP eligibility. Meridian Minerals Inc. would avoid impacts to any culturally eligible or unevaluated sites. Therefore, there would be no impacts to cultural resources as a result of the project.
Vegetation	A survey for vegetation was conducted in the project area in June 2007. Some vegetation, not to exceed twenty acres, would be removed during project-related activities. The effect would only be short term with concurrent and final reclamation returning all disturbances to a revegetated condition.
Rare Plants	No sensitive plant species were located within the project area.

ALTERNATIVES

Currently, two alternatives have been identified to be analyzed in detail with further analysis potentially generating other alternatives.

The No Action Alternative: The Plan of Operations would not be approved and Meridian would not conduct exploration activities. Conditions at the project area would remain as they are now.

The Proposed Action Alternative: Meridian's Plan of Operations would be approved and Meridian would be authorized to conduct a five year drilling project with up to 20 acres of surface disturbance. This alternative would include the proposed activities outlined in the Plan of Operations from Meridian and would include environmental protection measures, timing, monitoring, reclamation, and protective measures based upon comments from the public, tribes, and the interdisciplinary team during analysis of the proposed action.

Alternatives Considered but Eliminated from Detailed Study:

Cross Country/Overland travel Alternative: This alternative would utilize only overland or cross country travel and would not allow for construction of new roads. Utilization of cross country exclusively for the project would eliminate much of the exploration area due to topographic constraints. This alternative does not meet the purpose and need of the proposed action, which is to fully evaluate the mineral potential in the project area as allowed under the General Mining Law of 1872, as amended, because exploration for mineralization in this area is difficult and requires drill holes in order to evaluate the geologic and mineral potential. An alternative that eliminates access to portions of the exploration area would deny the mining claimant the opportunity to fully evaluate and characterize the mineral potential. However, the proposed action incorporates the use of cross country travel and would utilize this method where feasible.

Use Only Existing Roads Alternative: Under this alternative, all exploration activities would use only existing roads and no new roads would be constructed. This alternative does not meet the purpose and need of the proposed action because exploration of the structurally controlled deposits in this area is difficult and requires numerous drill holes

in order to evaluate the geologic and mineral potential. An alternative that eliminates access to portions of the exploration area would deny the mining claimant the opportunity to fully evaluate and characterize the mineral potential. However, the proposed action incorporates the use of existing roads to the maximum extent possible.

COMMENT PROCESS

Written, facsimile, hand-delivered, oral, and electronic comments concerning this action will be accepted for 30 calendar days following the publication of this notice in the *Reno Gazette-Journal*. The publication date in the newspaper of record is the exclusive means for calculating the comment period for this analysis. Those wishing to comment should not rely upon dates or timeframe information provided by any other source. The regulations prohibit extending the length of the comment period excluding federal holidays.

Written comments must be submitted to: District Ranger, Austin Ranger District; P.O. Box 130, 100 Midas Canyon Road, Austin, NV 89310, or fax (775) 964-1451. The telephone number is (775) 964-2671. Office business hours for those submitting hand-delivered comments are 8:00 am to 4:30 pm, Monday through Friday, excluding holidays.

Electronic comments must be submitted in a format such as an email message, plain text (.txt), rich text format (.rtf), Acrobat (.pdf), and Word (.doc) to comments-intermtn-humboldt-toiyabe-austin-tonopah@fs.fed.us. Comments must have an identifiable name attached or verification of identity will be required. A scanned signature may serve as verification on electronic comments.

Comments must be received by the close of the comment period. Those who provide comments during this comment period are eligible to appeal the decision. Individuals and organizations wishing to be eligible to appeal must provide the information identified in 36 CFR 215, including:

- Name and Address,
- Title of the Proposed Action;
- Specific comments (36 CFR 215.2) on the Proposed Action, along with supporting reasons that the Responsible Official should consider in reaching a decision,
- Signature or other verification of identity upon request; identification of the individual or organization who authored the comments(s) is necessary for appeal eligibility,
- For multiple names or multiple organizations, a signature must be provided for the individual authorized to represent each organization, or for each individual that wishes to have appeal eligibility, and
- Individual members of organizations must submit their own comments to meet the requirements of appeal eligibility as an individual, comments received on behalf of an organization are considered as those of the organization only.

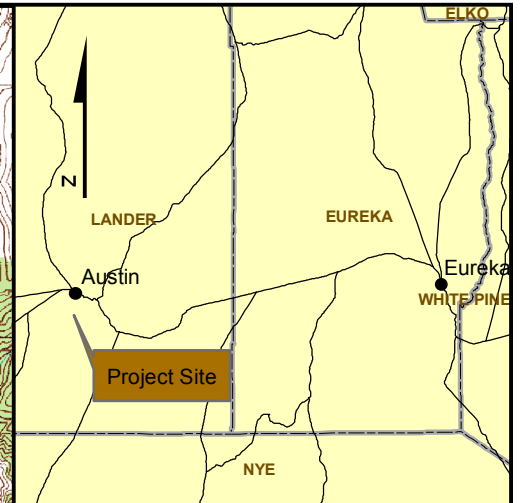
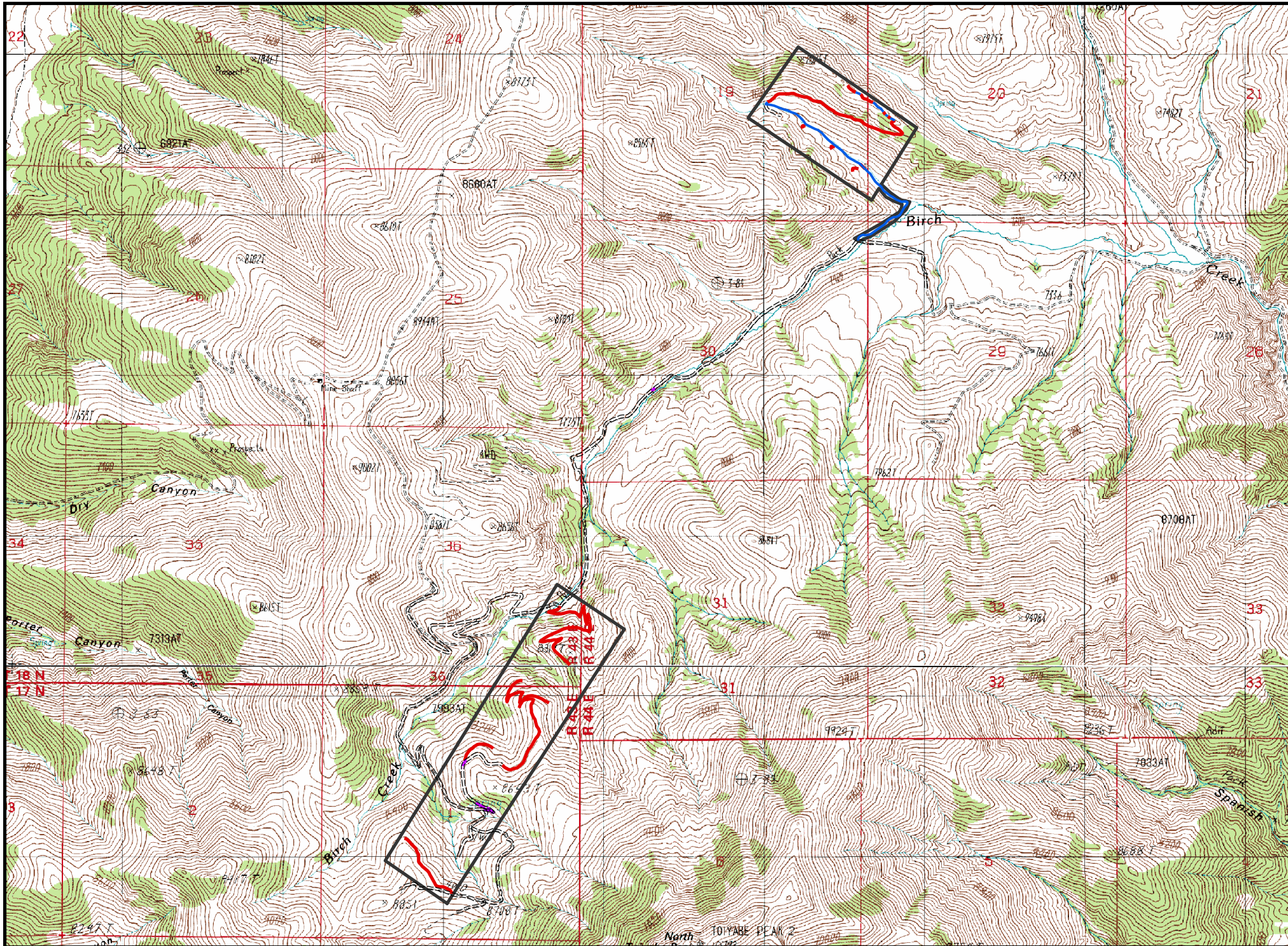
Comments received in response to this solicitation, including names and addresses of those who comment, will be considered part of the public record for this project and will be available for public inspection and released if requested under the Freedom of Information Act.

APPEAL ELIGIBILITY

It is the responsibility of persons providing comments to submit them by the close of the comment period. Those who provide comments during this comment period are eligible to appeal the decision under the Federal Code of Regulations (36 CFR 215).

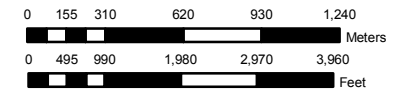
For further information, contact Doug Clarke, Planner, at 775-778-6127.

Attachment: Quito Minerals Exploration Project Map



Explanation

- Overland Travel
- - - - - Existing Road
- · - · - Road Maintenance
- Proposed Constructed Roads
- Project Area



1:30,000

Projection: UTM Zone 11, NAD 1927

MERIDIAN MINERALS

Quito Project

Date: 3/25/08	Drawn By: LM
Revised:	Project No.: 1620
Base Map: 7.5' Quad: Austin and North Toiyabe Peak	
File Name: 1620_fig0_QuitoProject.mxd	