

United States Forest **Department** of Service

File Code: 1950/2800 Date: October 9, 2008

Dear Interested Party:

Agriculture

The Kaibab National Forest is seeking comments as part of public scoping in preparation of an Environmental Impact Statement (EIS) to consider and disclose the effects of proposed exploratory drilling for uranium on National Forest System (NFS) land. The proposed exploratory drilling project would occur on mining claims held by VANE Minerals, Inc. and Uranium One (with all exploratory drilling to be completed by VANE Minerals, Inc.) in the Tusayan Ranger District, Kaibab National Forest within Townships 27, 28, 29 and 30 North, Ranges 2, 3, 4 and 5 East, Gila and Salt River Meridian, Coconino County, Arizona.

Exploration is proposed by VANE Minerals, Inc. to determine whether uranium deposits exist on these mining claims. A total of 25 drill sites are planned by VANE Minerals, Inc. Shallow drill holes would be drilled to determine whether "breccia pipes" occur at the site. Breccia pipes are the geologic formations found in the Colorado Plateau region that can contain uranium minerals. Deep drill holes would be drilled to confirm the presence and extent of the breccia pipes and to gather additional information regarding the uranium concentrations found in these pipes.

The proposal includes seven original sites that were part of the VANE project challenged in Center for Biological Diversity v. Stahn. In addition, 18 more drilling sites have been proposed by VANE Minerals, Inc. Therefore, the Forest Service proposes to authorize VANE Minerals, Inc. to perform exploratory drilling at the 25 drill sites proposed. This Proposed Action would constitute exploratory drilling only. No mining extraction or transporting of uranium minerals for processing would be contemplated or permitted by this proposal. The EIS will disclose the potential environmental effects of exploratory uranium drilling and accompanying grounddisturbing activities for the 25 proposed drill sites.

Background

In 2006, VANE Minerals, Inc submitted a Plan of Operations to the Forest Service to drill exploration holes for uranium at a total of ten sites within the Tusayan Ranger District, Kaibab National Forest. A categorical exclusion from documentation under the National Environmental Policy Act (NEPA) was completed in December 2007, and the Forest Service approved VANE Minerals, Inc.'s plan to drill on seven of the ten sites in areas accessible by Forest Service roads. Exploratory drill operations began in March 2008, and one site was completed.

A lawsuit was filed against the agency's use of a categorical exclusion and a Preliminary Injunction (PI) was ordered on further uranium exploratory drilling. The original agency decision has been withdrawn and an environmental impact statement will be completed on the original sites, plus additional proposed sites VANE Minerals, Inc. submitted to the Forest Service in 2007 and 2008.

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Purpose and Need For Action

The agency's purpose is to analyze the proposals from VANE Minerals, Inc., and any reasonable alternatives, including any mitigation measures to protect the surface resources in the areas of exploratory drilling in order to approve a plan of operations for exploration. The agency's need for action is based on statutes and policy that govern mining on NFS land.

Most NFS land is subject to the location of certain minerals under the Mining Law of 1872, as amended (30 U.S.C. 21-54, et seq.), and the directives in the Forest Service Manual 2800. Prospecting, locating and developing the mineral resources on NFS land are also subject to other rules and regulations. These include, but are not limited to, the 1897 Organic Administration Act, the 1960 Multiple-Use Sustained-Yield Act, the 1970 Mining and Minerals Policy Act, and Regulations at Title 36, Code of Federal Regulations, part 228A which set forth rules and procedures governing the use of NFS lands in conjunction with operations authorized by general mining laws.

Proposed Action

The Forest Service proposes to authorize VANE Minerals, Inc. to perform exploratory drilling at the 25 drill sites proposed by VANE. This proposed action would constitute exploratory drilling only. No mining extraction or transporting of uranium minerals for processing is included. VANE Minerals, Inc. has proposed to use existing roads; however, depending on the site, access may require the building of temporary low-impact minimal roads with subsequent removal of small trees.

Timeline

The VANE Minerals Uranium Exploratory Drilling Project Draft EIS is expected to be available for public review in the spring of 2009. The Final EIS and Record of Decision are expected in early 2010.

Public Involvement

The Federal Register publishing of the Notice of Intent to Prepare an EIS initiates the scoping process which guides the development of the EIS. The Forest received several comments during the categorical exclusion analysis in 2007 which will be considered in this analysis. The Forest Service encourages the public to express issues, concerns and suggestions they may have about this proposed action. Comments should be directly related to issues associated with the proposed action, rather than the general advocacy of or opposition to the project, to best assist us in the NEPA analysis.

Comments received by the Kaibab National Forest on this proposal, dated within the 30-day comment period, will be most useful. The Federal Register Publication of the Notice of Intent date is October 10, 2008.

All comments received will be analyzed for relevancy to this project and may be used to guide the analysis, or develop alternatives or mitigation measures. Written comments on this notice may be mailed or hand-delivered to Kaibab National Forest, ATTN: Uranium Exploratory Drilling Project, 800 S. 6th St., Williams, AZ 86046. Comments may also be submitted by facsimile to (928) 635-8208 and by electronic mail (e-mail) to <u>comments-southwestern-</u>

<u>kaibab@fs.fed.us</u>. E-mail and facsimile comments must include the words "Uranium Exploratory Drilling Project."

For further information on the Uranium Exploratory Drilling Project (Project), please contact Tom Mutz, Lands and Minerals Staff Officer, in writing at Williams and Tusayan Ranger Districts, 742 S. Clover Rd., Williams, AZ 86046 or by telephone at (928) 635-5600.

Sincerely,

/s/ Darla Jo Quick (for) MICHAEL R. WILLIAMS Forest Supervisor