

DEPARTMENT OF STATE LANDS



STAN STEPHENS, GOVERNOR

CAPITOL STATION

STATE OF MONTANA  
**RECEIVED**

(406) 444-2074

1625 ELEVENTH AVENUE  
HELENA, MONTANA 59620

MAR 11 1992

March 9, 1992

**ENVIRONMENTAL  
QUALITY COUNCIL**

Dear Reader:

Enclosed for your review is an Environmental Assessment (EA) prepared by the Department of State Lands (DSL). The EA evaluates a proposal by Seahawk Inc. for placer mining and gold recovery at their property near Townsend, Montana.

Public comment on this EA will be received by the agencies until 5:00 p.m. March 19, 1992. Comments should be about the adequacy of the EA in assessing issues, new information not considered that may influence the analysis, and clarification. Comments should be specific. The DSL will use these comments, the EA, and the application to make a final decision on the permit. The decision may be to approve the proposal, or to deny the proposal.

A public meeting has not been scheduled for this project. Written comments should be sent to:

Bob Winegar  
Hard Rock Bureau  
Montana Dept. of State Lands  
Capitol Station  
Helena, MT 59620

Thank you for your time and consideration. Please call Dept. of State Lands (444 2074) if you have any questions.

Sincerely,

Robert C. Winegar  
Environmental Program Supervisor  
Hard Rock Bureau  
Reclamation Division

RCW/cf

Enclosure

## ENVIRONMENTAL ASSESSMENT

APPLICANT: Seahawk Inc.

TYPE OF OPERATION: Placer

LOCATION: Sec. 22 & 23, T7N, R1E (Figure 1) COUNTY: Broadwater

PERSON PREPARING E.A.: Pete Strazdas and Bob Winegar

APPLICATION COMPLETE: 2/26/92 E.A. COMPLETE: 3/9/92  
 Date Date

	POTENTIAL IMPACTS					
	A	B	C	LONG TERM	SHORT TERM	AMPLIFICATION
<b>PHYSICAL ENVIRONMENT</b>						
1. <u>TOPOGRAPHY</u>			X		X	X
2. <u>GEOLOGY</u> ; Stability			X			
3. <u>SOILS</u> ; Quality, Distribution			X		X	X
4. <u>WATER</u> ; Quality; Quantity; Distribution			X			X
5. <u>AIR</u> ; Quality			X			
6. <u>UNIQUE, ENDANGERED, FRAGILE, or LIMITED</u> environmental resources			X			
<b>BIOLOGICAL ENVIRONMENT</b>						
1. <u>TERRESTRIAL, AVIAN, and AQUATIC</u> ; species and habitats			X			
2. <u>VEGETATION</u> ; quantity, quality, species			X	X		X
3. <u>AGRICULTURE</u> ; grazing, crops production			X			
<b>HUMAN ENVIRONMENT</b>						
1. <u>SOCIAL</u> ; structures and mores			X			
2. <u>CULTURAL</u> uniqueness, diversity			X			
3. <u>POPULATION</u> ; quantity and diversity			X			
4. <u>HOUSING</u> ; quantity and distribution			X			
5. <u>HUMAN HEALTH &amp; SAFETY</u>			X			

	POTENTIAL IMPACTS					
	A	B	C	LONG TERM	SHORT TERM	AMPLIFICATION
6. <u>COMMUNITY &amp; PERSONAL INCOME</u>			X			
7. <u>EMPLOYMENT</u> ; quantity and distribution			X			
8. <u>TAX BASE</u> ; local and state tax revenue			X			
9. <u>GOVERNMENT SERVICES</u> ; demand			X			
10. <u>INDUSTRIAL, COMMERCIAL</u> and <u>AGRICULTURAL</u> activities			X			
11. <u>HISTORICAL</u> and <u>ARCHAEOLOGICAL</u>			X			
12. <u>AESTHETICS</u>			X			
13. <u>ENVIRONMENTAL PLANS</u> and <u>GOALS</u> ; local and regional			X			
14. <u>DEMANDS</u> on <u>ENVIRONMENTAL RESOURCES</u> of land, water, air and energy			X			
15. <u>TRANSPORTATION</u> ; networks and traffic flows			X			

PUBLIC INVOLVEMENT: No comments received on public notice. Comments are solicited for the EA until March 19, 1992.

ALTERNATIVES CONSIDERED: See Amplification: Alternatives

COMPLIANCE STATUS: See Amplification: Background

RECOMMENDATIONS CONCERNING PREPARATION OF AN EIS: An EIS is not necessary at this level of disturbance.

OTHER GROUPS OR AGENCIES CONTACTED OR WHICH MAY HAVE OVERLAPPING JURISDICTION:

Department of Health and Environmental Sciences

INDIVIDUALS OR GROUPS CONTRIBUTING TO THIS EA:

- A: Significant Unavoidable Impacts
- B: Insignificant as a result of conditioned mitigation
- C: Insignificant as proposed

Robert C. Vinegar 3/9/92  
Signature

SEAHAWK,INC.  
Amplification of Potential Impacts to the Physical,  
Biological and Human Environment Sections of the  
Environmental Assessment

## BACKGROUND

An application for an Operating Permit was received by the Department of State Lands on November 17, 1989, from Seahawk Inc. Seahawk is a California Corporation headquartered at 2244 West Coast Highway, Newport Beach, California. The proposed mining is 3 miles northwest of Townsend, Montana, on the Indian Creek alluvial fan in Secs. 22, 23, T7N, R1E (Figure 1).

B & B Mining acquired the property from Gold Hill Placers Inc. in 1986. B & B mined the area for a period of a few years, during which period it was issued two Notices of Noncompliance by the DSL for exceeding the acreage limits of the SMES. Subsequently, Seahawk acquired the property and has operated sporadically since that time without benefit of an SMES or an Operating Permit. An SMES was filed by a third party, William Baltrush, during this period. Seahawk ostensibly mined under that SMES during 1990 and 1991. These activities resulted in the issuance of two noncompliances in 1991, one to Baltrush for exceeding the acreage limit of the SMES and one to Seahawk in the form of a Cessation Order for mining without a permit. A third noncompliance was issued to Seahawk for exploration activities which were conducted without benefit of an exploration license.

Mining during this period resulted in the disturbance of approximately 84 acres in two previously disturbed dry drainages. The north area of approximately 28 acres has been mostly regraded and seeded. The south area remains mostly disturbed and is proposed to be the area of continuing mining operations.

Seahawk submitted an application for an Operating Permit in November 1989 but did not complete the application process at that time. The process was resumed in August of 1991 with a resubmittal and the application was complete February 26, 1992.

## PROPOSAL

Seahawk proposes to mine gold bearing placer gravels from a 19-acre area that has already been disturbed by recent mining as well as from a 58-acre undisturbed area. Ore would be mined from a zone 20 - 30 feet deep. The plan of operations would be to recover gold by conventional gravity methods; sorting and sizing of gravels by trommel and screens, concentrating by sluice and jigs, and final recovery by automatic panners or centrifugal bowls.

Wash plant production would be 200 loose cubic yards (LCY) per hour or 728,000 loose cubic yards per year. Five ponds would be utilized: 1) water supply pond, 2) water holding pond, 3) tailing pond, 4) settling pond, and 5) clear water pond. Operation would be year round. Washplant and ponds would move updrainage as mining continues.

Water used would require 2,000 gallons per minute (gpm). This water would be recycled but would require 400 gpm makeup water to be supplied by 6 water wells.

Employment would be 25 to 30 persons.

Concentrate from the wash plant would be processed using mercury amalgamation. The concentrate would be mixed with the mercury in a rubber tumbler, the mercury in the amalgam would be retorted and the

remaining gold recovered. This process has been conducted in a shed next to the water supply pond and has resulted in mercury contamination of the pond and of sediments around the pond.

Dissolved mercury concentrations of 0.25 to 0.0099 mg/L were detected in the water supply pond in July 1990 and May 1991, respectively. These levels are well above the EPA recommended level for safe drinking water which is 0.0002 mg/L. DSL sampled the nearest downgradient domestic well for mercury in June 1991. This sample did not detect any mercury.

Seahawk has proposed a mercury clean-up plan whereby the sediments in the pond would be excavated and run through the wash plant. Free mercury would be recovered in the sluice and jigs and reused in the amalgamation process. The pond water did not show elevated mercury levels in June 1991, therefore, use of this water in the wash plant would continue.

Seahawk has proposed placing the amalgamation plant on a lipped cement floor to minimize the possibility of any future escape of mercury and has established two new groundwater monitoring wells, one above and one below the mercury plant.

## RECLAMATION

The oversize material (rocks too large for the trommel) and the gravel and sand would be hauled back into the mine pit. This includes material cleaned from the tailing pond. This material would be recontoured in accordance with the drainage plan, which would return the land to its approximate pre-mine topography. Ponds would be covered with coarse material to facilitate machinery operation and would also be graded to conform to the post mine topography. Stockpiled soil would be spread and the pit area would then be reseeded to a grass/ legume mix.

Total reclaimed acres would be approximately 150. This includes approximately 84 acres of previous disturbance. Based on preliminary estimates of the cost of reclaiming the entire acreage at once, rather than concurrently during mining, the reclamation bond would be within the range of \$350,000 to \$560,000. The permit would cover 214 acres, including the total disturbed 150 acres.

## AMPLIFICATION OF ENVIRONMENTAL FACTORS

### Topography

The proposed reclamation plan would return mined areas to essentially the same topography as existed prior to disturbance. Ponds would be covered and pits would be backfilled. A drainage would be established along the southern edge of the present disturbed area, paralleling the pre-mining drainage. Some historically mined areas would also be remined and reclaimed.

### Water

Although dissolved mercury contamination of water and tailing was detected in 1990 and 1991, subsequent sampling failed to detect elevated mercury levels. Nevertheless, the contaminated pond and tailing and soil around the pond would be cleaned of free mercury as discussed in Seahawk's proposal above. The mercury amalgamation process would be conducted in a cement-floored shed.

### Soil and Vegetation

The soil horizon on native grounds is thin, generally less than 12 inches, and gravelly/cobbly. Aggravating this situation, soil resources have been wasted over much of the area in question by previous

mining activities. With this proposal Seahawk has committed to saving 12 inches of soil from all previously undisturbed areas.

The native vegetation of the area has been degraded over a period of many years, perhaps by poor grazing practices and mining related disturbance, to a short grass community dominated by needle-and-thread grass and related species. Noxious weeds, specifically spotted knapweed, have not as yet invaded the area to a significant degree, although the potential exists and occasional individuals can be found on the property.

Reclamation would utilize salvaged soils and fine reject material to replace native soils and provide a growth medium. Although these soil materials would be lacking development and organic matter it is expected that they would be adequate for the establishment of drought tolerant grasses. Disturbed areas would be reseeded to a mix of streambank and crested wheatgrass and a legume. This revegetation plan would provide for a stable and useful land cover visually similar to that which existed prior to disturbance.

#### ALTERNATIVES

Permit denial is the only reasonable alternative. Denial would result in stoppage of work. The site would remain in its present condition without reclamation until and unless the department could enforce reclamation through the legal process, or Seahawk or another party successfully obtained an operating permit for this property. Due to the location of the gold deposit, alternative locations are not practical or reasonable. The reclamation plan would protect the environment from mercury contamination; therefore, alternative processing methods are not necessary.

