



IN REPLY REFER TO:

United States Department of the Interior

NATIONAL PARK SERVICE
WHISKEYTOWN NATIONAL RECREATION AREA
WHISKEYTOWN-SHASTA-TRINITY NATIONAL RECREATION AREA
P.O. BOX 188
WHISKEYTOWN, CA 96095-0188



N16

February 12, 2010

Mr. Jim Pedri
California Regional Water Quality Control Board
Central Valley Region
415 Knollcrest Drive, Suite 100
Redding, CA 96002

Mr. Pedri:

The National Park Service at Whiskeytown National Recreation Area is responding to the Tentative Waste Discharge Requirements (NPDES Permit) and Cease and Desist Order for the Bullion River Gold Corporation and Bureau of Land Management (BLM) mining activities at the Washington Mine in French Gulch, California. We request that the new NPDES permit not be issued, unless proper mitigation measures and necessary environmental analysis (CEQA and NEPA) are completed. With subsequent clean-up of the site, including reduction of metal discharge, particularly arsenic, for mine adits from current and past operators within French Gulch and Scorpion Gulch Creeks, we could envision a mining operation continuing. It is critical however, that the new operation would be designed to prevent further pollution of Clear Creek and Whiskeytown Lake as occurred on the June 24, 2006 incident.

Whiskeytown National Recreation Area administers its land for public use and enjoyment, while preserving natural and cultural resources for current and future generations. The park attracts on average of 800,000 visitors a year who come here to recreate in the clean, clear waters of Whiskeytown Lake. The majority of our visitors utilize the lake for recreational activities and often travel long distances to visit the area boosting the local economy by 20 million dollars annually. Past and current mining activities have polluted the waters of Clear Creek, the major stream entering Whiskeytown Lake, impairing water quality and the NPS ability to provide clean, safe recreational opportunities and placing the drinking source of Whiskeytown Lake at risk from this pollution.

Since the opening of the Washington Mine by Bullion River Gold, owners and administrators have repeatedly violated environmental regulations and the consequences of those violations to its downstream neighbors. Large spills, the use of arsenic-laden waste rock on gravel roads, and dumping of waste water into Scorpion Gulch and French Gulch streams which have been

TAKE PRIDE[®]
IN AMERICA 

documented by the EPA, only underscore the environmental management practices implemented by Bullion River Gold.

Data from a cooperative project with the U.S. Geological Survey (USGS), University of Montana, and National Park Service found heavy metals bioaccumulation in fish, amphibians, and benthic macro-invertebrates in tributaries flowing into Whiskeytown National Recreation Area. The tributaries of greatest concern are located just outside the Park boundary and include the vicinity of the French Gulch Mine. The spill that occurred on June 24, 2006 released tons of pulverized tailings and parent rock from Bullion River Gold's operation into Scorpion Gulch and Upper Clear Creek and also points to the environmentally hazardous situation that operations at the Washington Mine can pose to Whiskeytown National Recreation Area. As a result of this spill event, portions of the park along upper Clear Creek were closed to protect the public and our administrative and public water intake systems were forced to shut down during the spill event.

The National Park Service at Whiskeytown National Recreation Area supports the Cease and Desist order issued by the California Regional Water Quality Control Board (CRWQC). The National Park Service does not support the CRWQC adoption of a new NPDES permit proposing new effluent limitations, pumping and treating 0.423 million gallons of water per day from the mine workings to be discharged into Scorpion Gulch without CEQA and NEPA analysis.

Should the CRWQC issue a new NPDES permit to allow continued operations, the National Park Service expects that:

1. **Bullion River Gold to provide Shasta County and the BLM with an updated, complete plan of operations**, describing all facets of the existing operation, and any anticipated expansion of the operations including: current and anticipated mining locations, mining methods, ore beneficiation process, waste rock disposal, tailings disposal, water balance, water use, water disposal, and seasonal variations, anticipated environmental mitigation; risk analysis (public health and ecological), and, their permitting documents as required by county, state, or federal law.

It is our understanding that Bullion River Gold Corporation is operating under an outdated plan from the former mine owner despite having significantly expanded the operations since taking over. An updated plan of operations is necessary to adequately assess present and proposed mine operations and any possible associated environmental impacts.

2. **Potential significant impacts to the environment posed by operations at the Washington Mine legally trigger the requirement for an environmental impact report (EIR)** as defined by the California Environmental Quality Act (PRC §21000, et. seq.). We acknowledge the legacy of mining within the Upper Clear Creek watershed, and understand that there may be numerous sources, both active and abandoned, cumulatively contributing to downstream water impacts. However, by conducting an EIR, sources of downstream contamination will be better understood, allowing Bullion River Gold to concentrate on mitigation of their specific contributions (if any) to downstream water contamination issues. The EIR also needs to contain an air quality impact analysis for the Whiskeytown Shasta-Trinity area to address recent concerns regarding airborne contaminants. We also believe that the EIR process will allow the French Gulch community, as well as other possibly affected

individuals or agencies, an opportunity to present their input and have their concerns addressed through a well-defined public process.

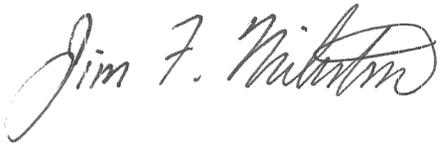
- 3. Shasta County should provide the NPS with a timeline** of expected events or some clarification of the process anticipated for the plan of operation review and EIR process. This will be helpful in scheduling NPS workloads, not only for park staff, but also for the national-level NPS offices that are providing technical support to us.

Moreover, as mentioned in our previous communication, the planning and permitting documents for Washington Mine reveal an inadequate sampling of ground water, surface water, ore and waste rock composition and there appear to be inconsistencies between reported sampling results and actual conditions.

We urge Shasta County and the BLM to require the Bullion River Gold Corporation to submit a complete updated proposed mining plan of operations that describes in detail all the facets of the Washington Mine operation from mining through waste disposal through final reclamation. This plan of operations should incorporate valid data and information contained in the various Washington Mine planning and permitting documents and should then be subject to a detailed environmental analysis under the California Environmental Quality Act (CEQA). This would then enable the National Park Service and other members of the public to meaningfully participate in the planning and decision making process. We have also urged the Bureau of Land Management to require an updated mine Plan of Operations and to conduct an environmental assessment under the National Environmental Policy Act (NEPA).

The National Park Service at Whiskeytown National Recreation Area takes our responsibility to the public to provide clean and safe recreational opportunities very seriously. Past and present mining in Scorpion and French Gulch creeks compromises our ability to achieve our mission to the public and threatens the quality of the drinking water supply of Whiskeytown Lake.

Sincerely,



Jim F. Milestone
Superintendent

cc: Steve Anderson, BLM, Redding Field Office
cc: Kerry Moss, NPS, Geologic Resource Division