



California Regional Water Quality Control Board Central Valley Region

Katherine Hart, Chair



Linda S. Adams
Secretary for
Environmental
Protection

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Arnold
Schwarzenegger
Governor

12 April 2010

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Mr. Tim Callaway, President/CEO
Shasta Gold Corporation
P.O. Box 106
French Gulch, CA 96033

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Mr. Steve Anderson
Bureau of Land Management
355 Hemsted Drive
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**INITIAL STUDY AND NEGATIVE DECLARATION
FOR
TENTATIVE WASTE DISCHARGE REQUIREMENTS (NPDES PERMIT)
AND
CEASE AND DESIST ORDER
FOR
SHASTA GOLD CORPORATION, FRENCH GULCH (NEVADA) MINING CORPORATION,
AND
U.S. DEPARTMENT OF AGRICULTURE, BUREAU OF LAND MANAGEMENT
WASHINGTON MINE
SHASTA COUNTY**

TO ALL CONCERNED PERSONS AND AGENCIES:

Enclosed are an Initial Study and a proposed Negative Declaration for the tentative Waste Discharge Requirements (NPDES Permit) and Cease and Desist Order for the Washington Mine. The Initial Study and Negative Declaration were submitted to the State Clearinghouse on 8 April 2010 for public review and comment. The Initial Study and Negative Declaration address only the construction and operation of the proposed mine drainage water treatment system at the Washington Mine. To be given full consideration, any comments or recommendations you may have concerning the Initial Study and Negative Declaration must be submitted in writing to the Central Valley Regional Water Quality Control Board (Central Valley Water Board) office by 5:00 pm on **10 May 2010**. Written materials submitted after 5:00 pm on **10 May 2010** will not be accepted and will not be incorporated into the administrative record if doing so would prejudice any party.

A public notice was previously distributed requesting comments on the Tentative Waste Discharge Requirements (NPDES Permit) and Cease and Desist Order on 12 January 2010, and this public comment period closed on 15 February 2010. The tentative Orders have not been significantly modified in the interim, and further comments on the tentative NPDES permit and Cease and Desist Order will **not** be accepted and will **not** be incorporated into the administrative record if doing so would prejudice any party.

Mr. Tim Callaway, President/CEO,
Shasta Gold Corporation
Mr. Steve Anderson, Bureau of Land Management

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12 April 2010

A Public Hearing has been scheduled for the Central Valley Water Board to consider adoption of the Initial Study, Negative Declaration and tentative Orders at its 26/27/28 May 2010 Board Meeting. The Notice of Public Hearing is enclosed.

To conserve resources, this letter transmits a paper copy of the Initial Study and Negative Declaration to the discharger only. Interested persons are advised that the full text of the tentative documents is available on the Central Valley Water Board's web site at http://www.waterboards.ca.gov/centralvalley/board_decisions/tentative_orders/. Copies of these documents can also be obtained by contacting or visiting the Central Valley Water Board's Redding office at 415 Knollcrest Drive, Suite 100, Redding, California, weekdays between 8:00 a.m. and 5:00 p.m.

If you have any questions regarding the Initial Study, Negative Declaration, proposed Orders, the scheduling of the Public Hearing, or the above requirements please contact Phil Woodward at (530) 224-4853, or at the letterhead address.

Original signed by

ROBERT A. CRANDALL
Assistant Executive Officer

PVW: Im

Enclosures: Notice of Public Hearing
 Initial Study, Negative Declaration and Tentative Orders (Discharger Only)

cc w/o Enclosures:

Mr. Dave Smith, U.S. Environmental Protection Agency, Region IX, San Francisco
U.S. Army Corps of Engineers, Sacramento
U.S. Fish and Wildlife Service, Sacramento
U.S. National Marine Fisheries Service, Santa Rosa
Mr. Craig Stutheit, U.S. EPA, Sacramento
Department of Water Resources, Northern District, Red Bluff
Department of Public Health, Environmental Management Branch, Sacramento
Department of Public Health, Office of Drinking Water, Redding
State Office of Historical Preservation, Sacramento
Ms. Lori Okun, State Water Resources Control Board, OCC, Sacramento
Mr. Phil Isorena, State Water Resources Control Board, Sacramento
Mr. Ron Rogers, Bureau of Land Management, Redding
Ms. Sarah Quinn, Bureau of Land Management, Sacramento
Ms. Temi Josephson, Dept of Interior, Office of Solicitor, Sacramento
Mr. Norman Rave, Dept of Justice, Environmental Defense Section, Washington D.C.
Mr. Jim Milestone, Whiskeytown National Recreation Area, Whiskeytown
Department of Fish and Game, Redding
Mr. Bill Walker, Shasta County Division of Resource Management, Redding
Mr. James Smith, Shasta County Environmental Health Department, Redding
Mr. Tim Callaway, French Gulch (Nevada) Mining Corp, French Gulch
Ms. Bianca Bennett, French Gulch
Ms. Carolyn Ritter, French Gulch
Mr. Jerry Bernhaut, Riverwatch, El Cerrito