

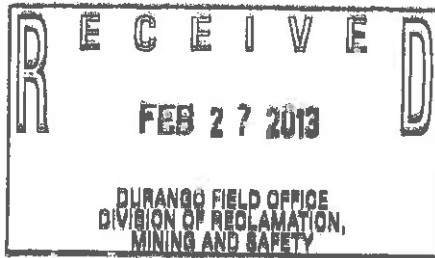


United States
Department of
Agriculture

Forest
Service

Grand Mesa,
Uncompahgre and
Gunnison
National Forests

2250 Highway 50
Delta, CO 81416
Voice: 970-874-6600
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File Code: 1950

Date: February 22, 2013

M-1977-004

LAND EXCHANGE WITH USFS

Dear Interested Party:

The Grand Mesa, Uncompahgre and Gunnison National Forests are proposing a land for land exchange between the Homestake Mining Company of California and the U.S. Forest Service, under the authority of the Act of March 20, 1922, as amended (16 U.S.C. 485, 486), Act of October 21, 1976, as amended (43 U.S.C. 1716), and Act of August 20, 1988 (43 U.S.C. 1716). The lands being considered for exchange are within the boundaries of the Gunnison National Forest. Homestake Mining Company is seeking to acquire one parcel of reserved public domain status National Forest System (NFS) land containing a total of 700.73 acres located seven miles east of the community of Sargents, Colorado and approximately 2.5 miles west of the Continental Divide in northern Saguache County. The parcel surrounds approximately 206 acres of private land, commonly known as the Pitch Mine, which was patented to Homestake Mining Company in 1978.

In exchange for National Forest (NF) land, Homestake Mining Company proposes to convey a portion of the 945 acre Fossil Ridge parcel, currently owned by the Trust for Public Land (TPL), to the United States. The Fossil Ridge parcel is located in Gunnison County approximately 12 miles northeast of Gunnison, Colorado. Homestake Mining Company has proposed an equal value land exchange, where the value of the NF parcel matches the value of the private parcel. In order to equalize values, the size of the private parcel will be modified so that its appraised value matches the NF parcel's appraised value. Eventually the entire 945 acre parcel may be conveyed to the United States of America, through one or more transactions, except an approximately 15 acre parcel within Tract 37 along the southern property boundary located in Section 10, SE1/4NE1/4 that encompasses the Jorgensen Cabin and associated outbuildings. The Trust for Public Land intends to grant an access easement from Forest Service Road 743 to the 15 acre parcel prior to finalization of the exchange. See provided vicinity map.

Private lands to be conveyed to the United States:

Township 50 North, Range 2 East, N.M.P.M.

Section 2: SW1/4

Section 3: S1/2

Section 4: SE1/4

Section 10: NE1/4

Section 11: NW1/4



(includes all of Tract 37 and part of Tract 38, according to the independent resurvey of July 27, 1933, as accepted on March 2, 1934)

EXCEPTING an approximately 15 acre parcel within Tract 37 along the southern property boundary located in Section 10, SE1/4NE1/4 that encompasses the Jorgensen Cabin and associated outbuildings.

Totaling: Approximately 945.15 acres, more or less.

The private parcel is located at the headwaters of Beaver Creek and Lost Canyon Gulch west of the Fossil Ridge Wilderness Area. The parcel is surrounded by NF lands. Most of the parcel's eastern boundary and roughly half of its northern boundary lie adjacent to the Fossil Ridge Recreation Management Area, a Congressionally-designated area.

In January 2012, the Trust for Public Land (TPL) entered into a purchase and sale agreement with the Homestake Mining Company that would convey a portion of the Non-Federal parcel directly to the United States which is equal in value to the approved appraised value of the Federal parcel.

NFS lands to be conveyed to Homestake Mining Company:

Township 48 North, Range 6 East, N.M.P.M., Saguache County, Colorado.

Section 15: W1/2SW1/4NE1/4 (portion), S1/2NW1/4 (portion), SW1/4, W1/2W1/2SE1/4 (portion)

Section 16: S1/2NE1/4 (portion), SW1/4NW1/4 (portion), E1/2SW1/4 (portion), SE1/4

Section 21: NE1/4, E1/2NW1/4 (portion), NE1/4SW1/4 (portion), N1/2SE1/4 (portion)

Section 22: W1/2W1/2NE1/4 (portion), NW1/4, N1/2SW1/4 (portion), W1/2NW1/4SE1/4 (portion)

EXCLUDING those lands conveyed in Patent Number 05-79-0001 (a.k.a., Pitch Mine) as described by Mineral Survey No. 20897.

Totaling: Approximately 700.73 acres, more or less

The patented lands at the Pitch Mine, as well as portions of the NF parcel, were operated by Homestake Mining Company as an open pit uranium mine from 1977 to 1984. Uranium ore produced at the mine was refined to yellowcake at an off-site mill. During the spring and fall of 1983 large-scale, rapid slope failures occurred in the open pit. In 1984 the mine was permanently closed.

Reclamation activities at Pitch Mine and on the NF parcel have been ongoing since mining ceased at the property under the auspices of mine reclamation plans approved by the Colorado Division of Reclamation, Mining and Safety and the U.S. Forest Service.

A substantial portion of the NF parcel has been altered by past mining and ongoing reclamation activities. Portions of the open pit mine, mine head scarp where slope failures have occurred, road network and waste rock disposal sites associated with the Pitch Mine occur on the NF

parcel. The mine's water treatment plant, sedimentation pond, office/shop and water pipelines are also located on the NF parcel.

Resource management objectives and current management practices on both the NF and private lands considered in the exchange are expected to remain the same or at least similar if the exchange occurs. The lands acquired by the United States:

- Would continue to be grazed by cattle.
- Would be open to the public for hunting and recreational purposes.
- FSR 743 would remain a road providing access to and across the parcel. It will continue to be open to full size motorize vehicles.
- Rd 743.4A is a local road that provides motorized access to the 15 acre parcel not being acquired. Management of that road, should it become public land, has not yet been determined.

The NF lands conveyed into private ownership:

- Will continue to be grazed by cattle for two years beyond the notification of the grazing permittee. If the permittee is willing to waive this requirement, then grazing may cease once ownership is transferred. Future grazing will be subject to the wishes and terms of the Homestake Mining Company.
- Public road rights-of-way will be provide across the parcel after the exchange on FSR 777.1C, FSR 843.1C and FSR 843.1G.
- The United States will reserve rights-of-way for ditches and canals per statutory requirement.

The NF purposes for this exchange are to:

- Compliment management of lands adjacent to the Fossil Ridge Recreation Area by providing recreational opportunities, both summer and winter. These lands are a short distance from Gunnison, Colorado and would likely get significant use if it became public land.
- Eliminate the possibilities of additional subdivision within sage grouse and lynx habitat.
- Reduce boundary management responsibilities by acquiring a significant part of an inholding. The 15 acres parcel containing the Jorgenson Cabin will remain private.
- Acquire a right-of-way for NFSR 743 through the parcel as neither the Forest Service nor Gunnison County has such. This action may lead to the eventual granting of a Forest Road Right-of-Way easement to Gunnison County for NFSR 743 for much or all of the National Forest lands it crosses.
- Support the County's desire for the non-Federal lands to be conveyed to the Forest Service as that action will indirectly provide funding for the Gunnison Valley Housing Foundation.
- Consolidate reclamation oversight under the jurisdiction of the Colorado Department of Natural Resources, Division of Reclamation, Mining and Safety.

Preliminary issues that have been identified for this land exchange include:

- Three small isolated wetlands are located within the NF parcel; however, private lands to be acquired are believed to have comparable wetland acreage.
- The NF parcel has been identified as a Lynx travel corridor.

Regarding equalization of values, if the value of the private parcel exceeds the value of the NF

parcel and it becomes necessary to decrease the acreage of private lands in the exchange, the parties have proposed the following possible adjustments:

- The objective will be to balance wetland acreage between disposed and acquired lands, and to acquire lands crossed by FSR 743. This will dictate which portions of the private lands are acquired first. The first priority is to acquire the remaining Non-Federal lands in GLO Tract 38. This is the 320.25 acres on the western side of the Non-Federal Parcel. After this, the priority will be to acquire lands beginning along the eastern boundary and progressing west.
- If an exact equalization of values is not practical, a cash equalization payment will be made between the parties. This payment may not exceed 25 percent of the value of the lands transferred out of Federal ownership.

As the Forest Supervisor, my decision will be to determine whether or not it is in the public interest to complete the land exchange as identified in the proposed action. I am hoping to complete the exchange of lands by the end of 2013. Your participation in this process is very important to me. If you wish to respond please submit your comments via mail, fax, telephone, or in person. In order to appeal my decision under 36 CFR part 215, comments must be in writing and must be received (if submitted electronically or hand delivered) or postmarked no later than 45 days after the initial publication of the legal notice in the *Grand Junction Daily Sentinel*. Commenters should include their name, address and organizations represented, if any. Please note names and contact information submitted with comments will become part of the public record and may be released under the Freedom of Information Act. Specific to the lands being considered for exchange, please advise me of any liens, encumbrances or other claims to help identify legal constraints. Comments related to the NEPA process may include any resource values of concern. Comments received will be addressed in the Decision Notice. Notice of the Decision will be mailed to those who file comments.

Please submit comments to:

Mail: Forest Supervisor
U.S.D.A. Forest Service
2250 Highway 50
Delta, CO 81416

Email: comments-rocky-mountain-gmug@fs.fed.us Fax: 970-874-6698

This information and maps can be downloaded from the internet at the following address: <http://www.fs.fed.us/nepa/fs-usda-pop.php/?project=41302>. If you have any questions, or would like more information about this project or legal notice publication dates, please contact John Almy, Team Leader, at (970) 874-6644 or jmalmy@fs.fed.us.

Sincerely,

SCOTT G. ARMENTROUT
Forest Supervisor

Enclosure

Fossil Ridge Land Exchange
Vicinity Map 2 of 2

Non-Federal Parcel A - Fossil Ridge

Gunnison County, Colorado
Gunnison National Forest



Non-Federal Parcel



1:100,000



Map prepared 12/8/2011

