



STATE OF ARIZONA

JANICE K. BREWER
GOVERNOR

EXECUTIVE OFFICE

October 30, 2009

Honorable Kenneth L. Salazar
Secretary
U.S. Department of the Interior
1849 C Street, N.W.
Washington, DC 20240

RE: Notice of Proposed Withdrawal

Dear Secretary Salazar:

On behalf of the State of Arizona, I am pleased to take this opportunity to provide comments on the proposed withdrawal of 993,549 acres of Bureau of Land Management and U.S. Forest System lands in northern Arizona. The stated purpose of the Department of the Interior's proposed withdrawal of these lands is "to protect the Grand Canyon watershed from adverse effects of locatable hardrock mineral exploration and mining." This withdrawal is unnecessary to protect the Grand Canyon region and Colorado River, and in many ways would have an adverse impact on the State of Arizona. As a steward of Arizona's tremendous natural resources, economic well being, and the public trust, I object to this proposal, and request that the Department take action to remove the proposed burdensome restrictions on federal and state lands in the Northern Arizona Uranium District.

Uranium mining exploration and production operations already exist on the Colorado Plateau and in the Grand Canyon region. Various federal and state laws heavily regulate these mining operations. Additionally, only a small fraction of the land is impacted by these activities.

Existing Federal law requires mining operations to comply with the National Environmental Policy Act, Clean Air Act, Clean Water Act, Federal Land Policy and Management Act, Endangered Species Act, National Historic Preservation Act and various rules, regulations and policies established by the U.S. Forest Service and Bureau of Land Management. These regulations require all mining activities on federal lands minimize, prevent or mitigate adverse environmental impacts, and a plan of operations subject to the NEPA process, for any operation likely to cause a significant disturbance.

Moreover, the Arizona Department of Environmental Quality (ADEQ) enforces federal and state laws protecting public health and the environment. ADEQ ensures air and water quality permits

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are obtained prior to starting mining operations to ensure clean air and clean water in the Grand Canyon region and in the Colorado River. Together, these various safeguards protect the air, water, cultural resources, wilderness, and wildlife habitat in areas affected by mining operations.

In the Colorado Plateau region of northern Arizona that includes the proposed withdrawal area, ore extraction and production at existing uranium mines has minimal environmental impact on the surrounding land, water, and wildlife because of modern environmental laws. The uranium deposits in these breccia pipes are typically dry and located several hundred feet above the underlying aquifer. Mining of uranium ore in Arizona requires an Aquifer Protection Permit (APP) to ensure there are no adverse effects on the underlying aquifer. Further, since *in situ* mining of uranium is not planned or envisioned for northern Arizona deposits, the risk of contamination of underground water sources is significantly reduced. Finally, clean closure, which is required under the APP, involves returning the land to background radiation levels consistent with those naturally occurring in the area.

As you are aware, exploratory uranium activities do not involve extraction or transporting of uranium ore for processing. Exploratory activities create minimal impact to the land. Mining explorations frequently use existing roads, utilize a small drill pad, achieve zero discharge, drill small boreholes, return drillings to the borehole and reclaim the disturbed areas. Due to the limited activity and drilling material "containment", exploratory activities generate no discharge to waters of the United States or the state under the Clean Water Act because the operations typically contain all drill materials onsite. While not specifically regulated by Arizona's state APP Program, returning drill cuttings including drill fluids after exploration is consistent with ADEQ's general APP requirements. Even in full-scale uranium mining, due to the use of underground mining methods and the utilization of waste rock as backfill, the surface footprint is small, ranging from ten to twenty acres.

Most environmental concerns raised by the legacy of uranium mining in Arizona and the southwest United States are the result of activities that occurred prior to the existence of modern environmental laws and generally resulted from detonation, disposal, ore-processing (milling) and weapons manufacturing sites; activities not associated with modern uranium extraction. Even so, as is the case with the recently permitted Arizona uranium activities, further mitigation measures could be undertaken to address concerns raised during any permitted activities. ADEQ recently issued two permits with enforceable permit conditions including mine permeability testing and monitoring to ensure fluids are not conveyed out of the mine, ground water monitoring, mine water monitoring and financial assurances for clean closure.

Proposed uranium mining activities in northern Arizona are located completely outside of Grand Canyon National Park. Since most sites are far away from the National Park boundary, there is no expected impact on the quality of Park visitors' experiences. Wildlife would also be unaffected by mining operations. At existing uranium mines in northern Arizona, the mine site

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is completely fenced off so that no ground animal or human can enter the property without the knowledge of the workers or guards. Each mine only operates for less than 10 years, which time frame includes reclamation activities to restore the area for wildlife to inhabit.

As expressed in Arizona State Land Commissioner Maria Baier's September 24, 2009 letter to you, the state is also very concerned about Arizona State Trust land encompassed in the proposed closure area. Significant portions of the 85,673 acres of non-federal lands within the closure area are Arizona State Trust lands. Potential loss of mining royalties to the 13 public beneficiaries, the largest of which is K-12 education, from even a single breccia pipe on trust lands could range from \$1.5 to \$18.5 million.

In terms of the economic impacts of uranium mining activities on federal land in northern Arizona, we estimate that the industry will generate more than \$10 billion to the local economy over the life of these mines. This will include hundreds of high-paying jobs in a rural economy that desperately needs employment opportunities. We envision that local residents from nearby areas where unemployment rates remain far above the state and national averages will fill many of these jobs.

Finally, I must urge the Department to consider national security and energy independence as an additional basis to vacate its proposed withdrawal of lands for uranium mining. Arizona and the United States have a tremendous national security resource in northern Arizona. Although various types of uranium deposits occur within Arizona, breccia pipes in the Grand Canyon region contain the highest-grade uranium ore in the United States and some of the highest in the world. The United States imports over 90% of the needed uranium for nuclear-powered electrical energy production. A secure domestic supply of uranium is a crucial element for continued use of this energy source. According to the United States Geological Survey, the Arizona Strip holds 42% of the nation's estimated undiscovered uranium. Generally, nuclear energy is cheaper than coal and natural gas, and cleaner in that it doesn't contribute global warming gases to the atmosphere. To remove this source of energy forces our nation to rely more heavily on foreign nations to meet growing energy needs. Without this nuclear energy, we would be forced to look toward other sources of power that have a much higher carbon footprint and a detrimental impact on climate change.

In conclusion, I urge you to consider the overwhelming evidence that responsible uranium mining can be both safe for public health and the environment and compatible with the Grand Canyon region and its watershed. This is an opportunity to provide access to one of the richest deposits of high-grade ore in the world while creating the smallest possible mining impact. Canceling the proposed withdrawal and allowing the market to provide this commodity will promote the economy both in Arizona and nationally; will fuel carbon-neutral nuclear power; and support energy independence in an environmentally safe and protective manner. The withdrawal proposal is overly broad and unnecessary because of the protections offered by state

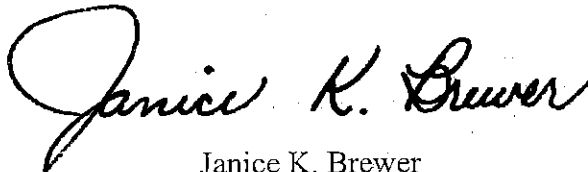
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and federal laws that will ensure mining operations will be protective of the Grand Canyon region and the Colorado River.

Sincerely,

A handwritten signature in black ink that reads "Janice K. Brewer". The signature is written in a cursive, flowing style.

Janice K. Brewer
Governor

JB:MA:njw

cc: Scott Florence, District Manager
Bureau of Land Management