

[REDACTED]
February 24, 2023

Rob Hoelscher, District Ranger
Hell Canyon Ranger District
1019 N 5th Street
Custer, SD. 57730

Dear Mr. Hoelscher,

Thank you for the opportunity to comment on the F3 Newark Exploration Drilling Project identified your scoping letter on the of February 8, 2023. We are a residents of Wittrock Road which is one of the closest residential neighborhoods that will be affected by the project.

First, we understand that you have a legal obligation to F3 Gold to allow this project to proceed, barring any extenuating circumstances. However, we do feel that a deeper knowledge of the effects this project will have on the area, including the community and its residents, needs to be analyzed to mitigate effects and minimize damage. We understand that, even though this project does not include a mining operation, the ultimate effect will be a mining operation if this exploration is successful for F3 Gold. We know they are separate actions, but truthfully, they are connected if they successfully find gold that they feel is worth mining. We also know that they have done a lot of studying of the area and feel that they will find this gold, otherwise they would not go to the expense of this exploration project.

According to the scoping letter, the Forest Service intends to evaluate this project as a categorical Exclusion (CE) under the National Environmental Policy Act (NEPA) per 36 CFR 220.6(e)(8) – “Short-term (1 year or less) mineral, energy, or geophysical investigations and their incidental support activities that may require cross-country travel by vehicles and equipment, construction of less than 1 mile of low standard road or use and minor repair of existing roads.”

A categorical exclusion is inappropriate for the proposed Plan of Operations because the proposed exploration project includes activities that have the potential for significant direct, indirect and cumulative impacts to the environment, which must be thoroughly analyzed under NEPA.

The Plan of Operations mentions that “**there are no known threatened or endangered species that would be affected by this exploration activity. Planned drill holes are not anticipated to intersect any known historical mine shafts, holes, adits, or workings.**” We think some investigation into whether any of these actually does exist should be done so there is a more definitive action.

The proposed plan of operations fails to provide data to characterize the groundwater hydrology in the area. Without that it is reasonable to assume that the plan of operations has the potential to result in significant impacts to groundwater, including the potential to intercept groundwater, alter flows, and introduce pollutants, such as drilling fluids to groundwater.

As a general matter, under certain conditions, drilling an exploratory borehole can impact the local groundwater conditions if the drilling fluid/mud leaves the borehole through bedrock fractures or through unconsolidated geologic material. This can happen both above and below the water table (in the unsaturated zone and into the aquifer). The amount leaked and the consequences of the added water (drill fluid) are dependent on local geologic and hydrologic conditions. If the rock fractures are interconnected and extensive, then impacts can be more complex than if the rock is less fractured. When many exploratory holes are drilled in one area, it is possible that there could be cumulative impacts in that area.

Determining what impacts might occur from exploratory holes depends on many details, including the drilling procedures and the geologic and hydrologic character of the site. The Forest Service should, at a minimum, require a baseline hydrogeologic study that determines the density and extent of bedrock fractures, the hydraulic conductivity of the local geologic formations, and measures the local groundwater levels to determine groundwater flow directions.

The courts have repeatedly recognized the potential impact of mineral exploration activities, including drilling, on groundwater resources, and required baseline data and a thorough analysis of the potential impacts. (*See Idaho Conservation League, et al. v. U.S. Forest Serv.*, No. 1:11-cv-00341-EJL, 2012 WL 3758161 (D. Idaho, Aug. 29, 2012). As the Court explained: "The very nature of drilling holes 1,500 to 3,000 feet into the ground seems likely to impact the underlying surface including the groundwater.

The Black Hills is an important recharge area for several regional bedrock aquifers and local aquifers (USGS FS-046-02). We are concerned that this project will affect the drinking water wells that the homes in this area are reliant on. We may not sit right on an aquifer, but the ground water in the area is part of the whole hydrologic system. Drill holes (and potentially hundreds of them) have a good chance of encountering cracks and pools below ground that hold our well water. Since vertical and angled drilling are proposed, there is even more chance of this. Potential short-term indirect effects on groundwater resources could occur from Project activities, including changes in water levels in any fracture-flow aquifers and wells encountered during drilling. If there are enough exploration holes that happen to intersect enough of the right fracture(s), it could temporarily reduce the yield for other wells including domestic wells, though this risk is low due to the discontinuous nature of the aquifer, multiple fractures supplying wells, and low number of wells in close proximity to planned borehole locations. F3 Gold proposes 39 drill pads, with an anticipated drillhole length averaging 1000-2000 feet, and a maximum of 3,000 feet (more than ½ mile underground). Further, they state that each drill site may host multiple holes that would be drilled at directions and inclinations from the drill pad. Thus, the proposed plan could result in hundreds of thousands of feet of drill holes, extending beyond the borders of the drill pad. A 3000 foot hole drilled at an angle could actually come underneath our house, and even more easily underneath our neighbor's home.

Not only is groundwater a concern for us, but the natural waters (Wabash Springs and the other springs in the area) sustain life that potentially will be impacted by this project. There are cattle permittees who graze their animals in the area. They are dependent on the springs having water to sustain their livestock, as are the wildlife who use the springs to sustain life. There are very few natural waters in the area for animals. We have concern about the drilling and associated activities in the area on the impact to these springs. F3 Gold states that, "**Generally, all proposed sites have factored in a buffer of approximately 100 feet to known intermittent streams and water bodies where possible.**" With the springs in the area, I do not believe 100 feet is enough of a distance to protect the sources of water. It may be for pollution, but when they start drilling the impacts could be great. We request that this be further evaluated along with the groundwater issues mentioned above prior to approving the project.

Wabash Springs Road is closed to motor vehicles seasonally to protect wildlife. We honestly do not understand how you are even thinking of letting this operation run year-round, and 24 hours of operation per day, if you feel that the road should be closed to protect wildlife. We all know there are protected bat caves in there. We also see Bald Eagles in this area frequently. Therefore, I would like to request further wildlife evaluation of the area to identify any sensitive species and/or potential effects which will happen to the wildlife. There is a very hearty deer and elk population in the Wabash area along with coyotes, cougars, etc. To assume there will be no effect is not acceptable. If you justified seasonal wildlife closure in the Black Hills National Forest Travel Management Plan due to wildlife concerns, you should

care enough about the wildlife you are trying to protect to keep the drilling seasonal as well. Do you plan on leaving the road open to the public for the winter months that this operation is taking place? We suggest a review of your Travel Management Plan if it is not necessary to keep vehicles out of this area in the winter months.

Although I don't believe Wabash Springs road is a very heavily used road in the Black Hills National Forest, it does get a moderate amount of use. The road, and areas accessed by it, are used a lot by residents in this area for hiking, mountain biking, recreational shooting, recreational driving (UTVs and other vehicles), dispersed camping, picnicking, and snowshoeing and cross country skiing in the winter months, among many other activities year round. It also is used by tourists who come to visit the Black Hills and enjoy recreational activities, including dispersed camping (there are not many opportunities for this near Custer) and especially that of motorized travel (especially in UTVs that are frequently rented out to the tourists by the companies popping up around the hills in great numbers). Although there are no motorized trails in the area, this is a well-used road for them. There is also lot of hunting in the area during hunting season each year. Hunters use this area to set up their base camps every year. Many of the pullouts the mining company identifies as sites to be used for drill pads or laydown sites are there because they are dispersed camp sites. These recreational activities will all be impacted by the project. I believe that a deeper look into the recreational impacts this project will have is in order by the Forest Service. Furthermore, we would like to know if the plan would be to displace recreational users while this activity is going on. This has not been addressed in the documents we have. This would be unacceptable.

Fire is also a concern in the area. Because the project is in close proximity to homes and the nature of drilling holes and building and maintaining roads can create ignition sources as well as vehicles off of roads in the area, we would like to see more details and mitigation measures in the Plan of Operations regarding wildfire. This area is in drought status and fire conditions are expected to be high this summer.

The Plan of Operations states that, "**Available cultural data sets (*State Historical Preservation Organization CRGRID*) have been overlain with proposed drill pad locations to ensure that proposed operations are outside of any potential cultural preservation site.**" We find this statement inadequate and would like to ensure that the Forest Service, first, knows what resources are in there, and second, protects them. We are not confident that a mining company can make the call on Heritage Resources for the area. The Project could affect cultural resources and tribal sacred lands by altering the landscape adjacent to these sites. Access to some sites could be limited for the duration of Project activities. We would like to see a heritage survey on all sites.

Water storage tanks are mentioned in the Plan of Operations. One part refers to water trucks while another says water tanks. We are assuming it will be water tanks. The 10,000-gallon capacity is not huge, but it does not specify if they will be in-ground or above ground tanks. A spill of 10,000 gallons from a tank would certainly cause some erosion in this dry area. It also would possibly contain oils, etc. used for drilling. It is something that needs to be planned for and possibly mitigated. They plan to recycle some of the water and dispose of the rest at an 'approved disposal facility.' Where is this facility? We are unaware of any such disposal site in Custer County. Will they be hauling water (which is obviously too dirty to recycle) to Pennington County to dispose of? Will they be hauling water into the project area from some other municipality than Custer? We are concerned about the ability of Custer to supply the amount of water needed every day for this operation and supply their existing customers with safe drinking water as well. This is connected to the project and should be explored. The public deserves transparency and to know all the details prior to project approval.

We feel that it is unrealistic that drill sites would be a maximum of .06 acres of disturbance each as shown in Plan of Operations Table 1. This figure also does not include the laydown areas. A total disturbance

area of 4.49 acres should be reviewed and include everything. If the project needs an Environmental Assessment, instead of a Categorical Exclusion, will these numbers increase? New access alignments proposed are 5500 linear feet (Page 4 of Plan of Operations). This is more than one mile of new roads as the category states and therefore will need a more in-depth NEPA analysis. They have obviously tried to keep the numbers within the CE parameters but did not quite make it.

This project was originally proposed by F3 Gold in August 2021. In that proposal it was to be a five-year project. Now in 2023 it is being repropoed as a "new" project. We feel that there is some dishonesty with this in that it appears that the company tried to redefine the project to fit into a Categorical Exclusion. Our concern is that the company intends to reapply for projects year after year and have fragmented the project to avoid more in-depth NEPA.

According to the Plan of Operations, drill tailings are to be spread over the sites and covered with topsoil and seeded. We have concerns with spreading the tailings over the .06-acre sites. Although topsoil would allow grass to grow initially, the tailings will likely inhibit trees from growing on these sites for many years to come. We would like to see the excess material hauled to an area appropriate for disposal instead of spread on the sites.

As far as scenic values, the Plan of Operations states that, "F3 Gold has taken precaution in planning to limit disturbance to scenic value. The drill sites and staging areas are relatively small (50 feet x 50 feet) and located along current roadways or remote areas to limit disturbance of scenic values. After the culmination of the drilling operations, all sites will be reclaimed to the approval of the U.S. Forest Service District Ranger." We feel that a scenery analysis should be completed including removed trees, constructed roads, etc. Even with rehabilitation, these areas will never look the same. In our opinion, using roadways makes the scenery more of an issue. Stating that scenery issues "will be around roadways or remote areas" does not leave much of anything else. We would like to be assured that when this project is complete, the rehabilitation is effective in bringing the Forest as close to its original state as possible.

Lastly, I want to mention concerns we have for the human aspect of this project and the people who will be affected by it, and possible future projects because of this one. This project is pretty much in my backyard (yes, I am a NIMBY commenter). The dust from the equipment, the noise from the drilling rigs, and the lights from night operations will bother this neighborhood for a year and should be mitigated as much as possible. We would like dust abatement. We would like to see you limit the operations to 12 hours a day and extend the timeline if you must. We value our sleep and can't imagine the humming of a drill rig all night long. The drilling would be approximately ½ mile from our house and much closer to some of our other neighbors. We know how drilling sounds through granite. We also worry about vibrations that could happen as the drilling is going on. The affect this could have on our home and our other infrastructure, including our well, makes us nervous.

What effect this will have on our property values, even for one year, is also a concern. We pay horrendous taxes in Custer County. If our home values go down, our property taxes still do not. If we were to decide to sell our home in the next year with this project happening (a realistic thought), we likely would not get what our home was worth prior to the project starting. All of these issues will make us suffer financial harm. Your typical home buyer is not going to risk spending almost a million dollars on a home with gold prospecting in the backyard. We feel that property values affected by the project should be analyzed in the NEPA.

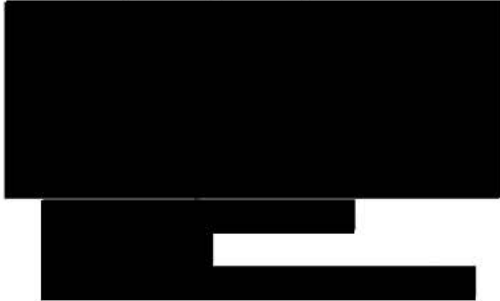
The entire community of Custer would be harmed if this project leads to a gold mining operation. The tourist dollars that keep Custer in business would dwindle. Tourism in this state brings in many many

times the dollars than mining does. The Black Hills Region is the state's biggest tourist attractor. If mining displaces tourism, we all lose. We request that this also be analyzed.

It is obvious that public interest in this project is extremely high. Due to this, and other items mentioned above, we feel that there is no choice but to elevate the NEPA on this project to an Environmental Assessment at a minimum. We also would like for you to take into consideration other mitigating actions to make this as neighbor friendly a project as possible as you move forward.

Please feel free to contact us with any questions or concerns.

Thank you very much,

A large black rectangular redaction box covers the signature and name of the sender. Below the main redaction, there are two smaller, separate black rectangular redaction boxes, one positioned to the left and one to the right, likely covering a title or contact information.