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NOV 15 2010

Jim Ruby, Executive Secretary
Environmental Quality Council

MEMORANDUM

TO : John Corra, DEQ Director

THROUGH : Don McKenzie, LQD Administrator
Carol Bilbrough, LQD Program Manager

FROM : John Erickson – LQD District II Assistant Supervisor

DATE : November 5, 2010

RE : Bond Forfeiture Recommendation for Snake River Sporting Club,
Limited Mining Operation No. 1117ET

On July 15, 2010, an Annual Inspection of Snake River Sporting Club, LMO 1117ET, was conducted by the Lander LQD office. The gravel mine, located near Hoback Junction in Teton County, was found to be abandoned. The last Annual Report for this operation was submitted in 2004. There has been no activity or reclamation since the previous LQD inspection conducted October 24, 2007. In 2009, the company filed for Chapter 7 bankruptcy and their authorization to conduct business in Wyoming was revoked by the Secretary of State for non-payment of taxes. The attached inspection report provides documentation of extensive unreclaimed mining disturbances at the site.

Notice of Violation, Docket No. 4748-10, was issued by DEQ to Snake River on October 18, 2010 for failure to reclaim the pit. The NOV was returned by the Post Office on October 21st marked “undeliverable as addressed forwarding order expired”.

I recommend forfeiture of Snake River’s \$10,000 reclamation performance bond at this time (Letter of Credit No. 3319173-3 issued by the Jackson State Bank).

Reclamation Requirements

Site disturbances consist of three ponds excavated in a gravel bar adjacent to the Snake River and a processing site located on a bench directly above the ponds. “Topsoil” is stockpiled next to the ponds. To my knowledge, none of the ponds have been permitted by the State Engineers Office. Reclamation would require backfilling and revegetation. The processing site would require removal of a large quantity of stockpiled materials followed by grading, topsoil replacement, and seeding.

A draft memo to the EQC requesting bond forfeiture is attached for your signature. If you should require any additional information, please feel free to call.

Attachments: 7/15/10 Annual Inspection Report, Draft EQC memo
 ec: Becky Brosius – Cheyenne DEQ/LQD w/attachments
 xc: Mark Moxley/Sarah Naylor – Lander DEQ/LQD