

JENNY GULCH: GET THE FAQs

Q: What is happening in Jenny Gulch?

[The Black Hills National Forest announced](#) on July 8, its intention to grant a gold exploration drilling permit to F3, a Minnesota mineral exploration company. The

preliminary decision was made after the Forest Service published an environmental assessment for public comment in October 2021. The proposed Jenny Gulch Gold Exploration Drilling project is located north of Silver City, Pennington County, South Dakota.¹

Q: What is F3 Gold?

[The corporation](#) F3 Gold, LLC, is an exploration and prospecting company based in Minneapolis, Minnesota. As of April 20, 2022, [there were about 172,000 acres](#) under active mineral claims. F3 Gold has almost 2500 mining claims in the Black Hills, including along either side of Highway 385 from just north of Sheridan Lake to north of the Lawrence County line, including directly around Pactola Reservoir.²

Q: Why is the Black Hills National Forest issuing a permit?

[The 1872 Mining Act](#) allows mining interests to develop mines and remove minerals from claims it has made on any public land. Land west of the Great Plains managed by the US Forest Service or the Bureau of Land Management, unless designated as wilderness area, is generally open to mining claims. If the Forest Service manages lands that have mining claims, such as those in the Black Hills National Forest, it cannot deny activities to explore mineral claim areas.

Q: Who decided to greenlight the permit?

The District Ranger of the Mystic Ranger District on the Black Hills National Forest is the delegated lead agency's responsible official for this National Environmental Policy Act (NEPA) review of the Jenny Gulch Project.³ That is NEPA talk for the head honcho.

Q: What is the permit for?

So-called "Exploration Only." The permit would allow F3 to build 47 drill pads, which could have multiple drilling holes, up to six acres, another acre for staging areas, and temporary access routes. Despite significant public opposition to the project proposal in October, the preliminary decision expands the number of drilling sites, reduces recommended environmental protections that were in the environmental assessment, and ignores risks to water quality, fish, wildlife, and aquatic and forest ecosystems.

Q: What is the environmental assessment, and what was in it?

An Environmental Assessment (EA) is a requirement of the National Environmental Policy Act for a proposed action "that is not likely to have significant effects or when the significance of

¹ Sections 19, 30, 31, T2N R5E and Sections 13, 14, 24, 25, T2N R4E.

² Claims and acreage map courtesy of Black Hills Clean Water Alliance and Mato Ohitika Analytics LLC.

³ The District Ranger's authority is in accordance Forest Service regulations "regarding locatable mineral activities on forest system lands." See, Decision Notice and Finding, Sec. 3.1; 36 CFR 228 Subpart A.

the effects is unknown.”⁴ Not only did the EA not demonstrate the Service’s Finding of No Significant Impacts (FONSI) it ignored 510 comments from more than three dozen citizens who demanded a full Environmental Impact Statement (EIS) on the project.

Q: What was in the FONSI?

Not much. Despite calls for alternatives, the heart of the NEPA process, the only alternatives considered were “No Action,” and “Whatever F3 Proposed,” modified minimally by some requirements drawn from Alternative C and added as issue specific responses with mitigation measures. In general, the EA and FONSI are insufficient.⁵ For example, the period for protecting Bighorn Sheep was reduced to 45 days when recommendations were that the lambing and rearing time for the species was much longer, according to wildlife professionals.⁶

Q: What is the point of the objection period?

Last chance to stop F3 from punching holes on the hillsides above a heavily used recreational body of water, despite massive public opposition.

Hundreds of agencies, organizations, and individuals responded to steps in the process of this exploration permit, which was submitted as a project proposal by F3 in December 2018. Scoping, which is an outreach step required by NEPA to surface issues and concerns, and make sure citizens can participate, occurred in early 2020. The public turned out. A 30-day review and public comment period of the Draft EA began on September 22, 2021. Citizens responded with comments. While F3 had a year to refine its proposal, all citizen requests for time extensions, consultations, and preparation of a full EIS were denied.⁷

“The absurd suggestion than an open pit or any other type of gold mine in the Rapid Creek Watershed is a risk worth taking should be addressed now before the next proposal from one of these foreign interests is to begin mining operations.” — Laura B. Armstrong, Ward 5, Rapid City Common Council.

One of the most egregious gaps in the process has been the failure of the Forest Service to conduct meaningful tribal consultations or provide access by tribal officials, resource users, and stakeholders to have a voice.

After waiting eight months for the Forest Service to evaluate and respond to comments, this preliminary decision is a rebuff and rejection of the concerns of the people who value the Black Hills and the Rapid Creek Watershed more than gold.

⁴ 40 CFR 1501.5 (May 20, 2022) Available at <https://www.federalregister.gov/documents/2022/04/20/2022-08288/national-environmental-policy-act-implementing-regulations-revisions> (Accessed 15 July 2022)

⁵ The Finding of No Significant Impact appears to have been based on the short-lived NEPA regulations that rolled back NEPA requirements in the prior administration in 2020. However, new rules were published in April 2022, taking effect in May 2022, and making clear that more than one alternative is required. 40 CFR 1501.5(a)(2).

⁶ The decision document states that Alternative C Modified introduces a timing restriction to further minimize potential effects to bighorn sheep during the lambing season and incorporates mitigation measures proposed by F3. See, Sec. 3.2, Page 15 of the Decision Document.

⁷ See, Appendix H and Appendix I in the Final Environmental Assessment.

Q: What are the key issues to which you are objecting?

To name only a few:

The project will occur above Jenny Gulch, an arm of the Pactola Reservoir, the water supply for Rapid City, Ellsworth Air Force Base, and reservation and rural communities along the Cheyenne River.

Residents of Silver City are nearly unanimously opposed to the project, which will operate 24/7 in their “backyards,” creating noise, dust, sedimentation, and access issues for a year.⁸

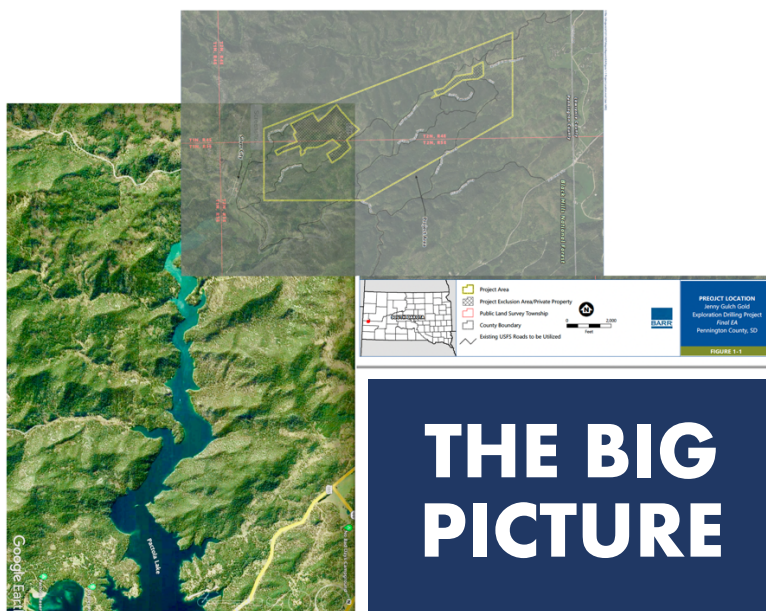
Outdoor recreation and tourism drive our local economy. One in four working people in the Black Hills derive a substantial portion of their income directly or indirectly from the tourism industry. The city, county, and state gain revenues from sales tax, license fees, and permits related to outdoor recreation, retail sales in tourism and destination services, and other activities in the watershed — hundreds of millions of dollars, according to a recent report from the National Park Service.⁹

Boating in Deerfield and Pactola, fishing in Rapid Creek, use of trails by OHV riders, mountain bikers, Centennial Trail users, and other hikers will all have limited access for a period of time, may permanently lose access to public lands, or will be directly harmed by this drilling project. Find maps showing sites, roads, and trail closures on [pages 6-9 of the EA](#).

Although the threat of environmental impacts during the exploratory drilling project may be low, this is not the zero impact the proponents claim. There is potential during the drilling — as well as the potential for drilling fluid spills — to contaminate small private wells of area

individual property owners, Pactola Reservoir, and the two aquifers that are replenished by Rapid Creek. Toxic substances are a threat to health, wildlife, agriculture, the National Forest, and our tourism and outdoor recreation economy.

The map at left shows how close the project area is to Rapid Creek and Pactola Reservoir — 1:1 sizing that provides a perspective beyond F3’s map.



⁸ See, Environmental Assessment, Sec. 3.3.2 Direct and Indirect Effects of Alternative B, pp. 17-18.

⁹ <https://drgnews.com/2022/07/03/national-park-tourism-in-the-black-hills-area-creates-301-4-million-in-economic-benefit/>

Q: You say “could,” “possible,” “may be,” “potential.” What is the real risk?

When, not if, there is a spill, because every medium and large-scale mine in the Black Hills has had a spill, leak, or contamination.¹⁰

The dismissive responses of the Forest Service to public concerns by saying “this is not about mining” is an insult to all those who spent time reading, evaluating, and commenting on the proposed project. How gullible do they think we are? Why explore if there is no assumption that a large-scale mine could produce gold in this area?

If a gold mine follows gold exploration, like night follows day, and if it has an accident that results in a chemical discharge or contamination event, our current water treatment plant will not remove this chemical contamination from the drinking water supply.

There is not adequate real-time water quality monitoring in place at the Rapid City treatment facility to alert operators to such an event. The current reporting period for such a mining operation would mean that contaminated water could flow through the treatment plant without notice for several days. Rapid City will need to expend substantial tax dollars to make changes to our water treatment facility and sentinel monitoring equipment to ensure we don't have a spill or supply contaminated water to residents.

Q: What can I do?

Don't “Like,” take action. Here's how:

[Visit our website](#)

[Sign the Petition](#)

[Use your voice to tell elected officials why you care](#)

[Donate](#)

[Join Us](#)



CONTACT: info@rapidcreekwatershed.org (605) 593-4221

¹⁰ SD DENR Tanks and Spills Map, Available at <https://apps.sd.gov/NR42InteractiveMap>.