Appendix B

MINERAL ORDERS

KENAI AREA PLAN FINDING OF THE COMMISSIONER FOR ADMINISTRATIVE MINERAL CLOSING ORDER #738 AS 38.05.185 (a)

The Kenai Area Plan (KAP), developed in accordance with AS 38.04.065, proposes closing the lower Russian River to new locatable mineral entry because mining activity would not be compatible with significant surface uses (AS 38.05.185(a)). The area to be closed is 42 acres of state-owned shorelands located between the mouth of the Russian River and the Russian River falls. This is an area of significant surface use and the state is committed to take all reasonable actions necessary to preclude significant surface conflicts. These closures are being given public review through notice under AS 38.04.065 and through the Kenai Area Plan process.

Salmon species present in this portion of the Russian River include Chinook, coho, and sockeye. The Russian River is most renowned for its consistent return of sockeye salmon. The river is also the second largest sockeye sport fishery in the state (behind the Kenai River). The lower Russian River also supports the largest spawning population of trophy rainbow in the Kenai River system. These resources attract intense sport fishing pressure. Almost 50,000 people visit the Russian River Campground each year and a high percentage fish in and walk along the river. In addition, a large number of day users visit the river from both the campground parking lot and the Russian River ferry. The salmon produced by the Russian River are of significant value to commercial and fishers in Cook Inlet as well as sport and personal uses fishers on the lower Kenai River and its mouth. These fisheries also support populations of brown bears and birds. Mining in this area is incompatible with these uses and is contrary to the Kenai Area Plan's policies for this area.

Therefore it is my finding, in accordance with AS 38.05.185(a), that the best interests of the state and its residents are served by this closure to entry under the locatable mineral and mining laws of the state of Alaska of the above areas, more particularly described in Mineral Closing Order #738. This order is subject to valid existing rights.

<u>John Shively</u> <u>January 7, 2001</u> Commissioner, Department of Natural Resources Date

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STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES

ADMINISTRATIVE MINERAL CLOSING ORDER NO. 738

X Closing Lands to Mineral Entry — Opening Lands to Mineral Entry					
I.	Name: Kenai Area Plan				
II.	This mineral order is based upon the attached Commissioner's Finding and the writted documentation contained in:				
	Manag	Plan: Kenai Angement Plan: pecific Plan:	<u>rea Plan</u>	Dated: Jated: Dated: Dated:	anuary 7, 2000
III.	File N	umber	Legal Description		Acreage
			See Attachment B and maps in the Final Kenai Are	ea Plan	42 acres
IV.	This order is subject to valid existing rights and issued under the authority granted by AS 38.05.185 – 38.05.275 to the Department of Natural Resources. The above described lands are hereby X closed opened to entry under the locatable mineral and mining laws of the State of Alaska.				
Appro	ved:	Robert Loeffl Director DNR			anuary 7, 2001 Pate
Approved:		John Shively Commissioner DNR			anuary 7, 2001 ffective Date

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STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES Division of Mining, Land, and Water

Mineral Leasehold Location Order No. 21

1.0 Order Restricting to Leasehold Locations

After the effective date of this order (see paragraph 5), and unless otherwise closed to mineral entry, rights to locatable minerals in the land covered by this order may be acquired only under the leasehold location system, AS 38.05.205, and may not be acquired by locating a mining claim under AS 38.05.195.

2.0 Land Subject to the Terms of The Order is Described as Follows:

The shorelands and within 200 feet of ordinary high water on either side of segments of six river systems (Kasilof River, Ninilchik River, Stariski Creek, Deep Creek, Anchor River, and upper Russian River) are subject to this order. Total acreage affected by this order is approximately 8,700 acres. See Attachment B and maps in the final Kenai Area Plan for a map of the affected segments of rivers.

3.0 Authority for the Order

This order is issued under the authority granted by AS 38.05.185 to the Department of Natural Resources of the State of Alaska.

4.0 Findings and Determinations

The following findings and determinations are made:

The land described above is found and determined to be subject to potential use conflicts which require that mining be allowed only under written lease issued under AS 38.05.205. These potential use conflicts include, but are not necessarily limited to, the following:

a) Fish and wildlife habitat and harvest and recreation constitute a significant surface use of these waterbodies and adjacent lands. These rivers support large runs of king, coho, sockeye, and chum salmon. The waterbodies also support large populations of rainbow trout, Arctic char, and Dolly Varden. Fish from these creeks are the foundation of the sport fishery on the Kenai Peninsula and contribute to commercial and personal use fisheries in Cook Inlet. These fisheries also support populations of brown bears and birds. Spawning salmon and resident fish require clear, cool, well-oxygenated water and streambed gravel that is free of sediment, highly permeable, and stable. Riparian habitat adjacent to streams is also essential for maintaining productivity. The continued propagation and harvest of fish that spawn in these waters are extremely important as a source of food and income. In addition, the rivers

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are heavily used for recreation including hiking, rafting, canoeing, kayaking, photography, and wildlife viewing.

- b) Because of the mineralized nature of the river segments identified in this order, mining may be a use of these lands. Mining activity within these lands must avoid direct and indirect impacts on fish passage, spawning, or rearing, as well as impacts on wildlife resources or recreational use. Leasehold location is an appropriate measure to allow mineral development with minimal impacts on these rivers.
- c) The stipulations identified in the Kenai Area Plan relating to leasehold location orders are to apply to all mining leases in the area affected by this leasehold location order and are to be used in approving plans of operations by DNR. Attachment A lists the stipulations identified in the Kenai Area Plan.

5.0 Effective Date

This order is effective as of:

The following date: January 7, 2001

Robert Loeffler
Director, Division of Mining, Land, and Water

<u>January 7, 2001</u>

Date

Approved and ratified by:

John Shively
Commissioner, Department of Natural Resources

January 7, 2001

Date

ATTACHMENT A

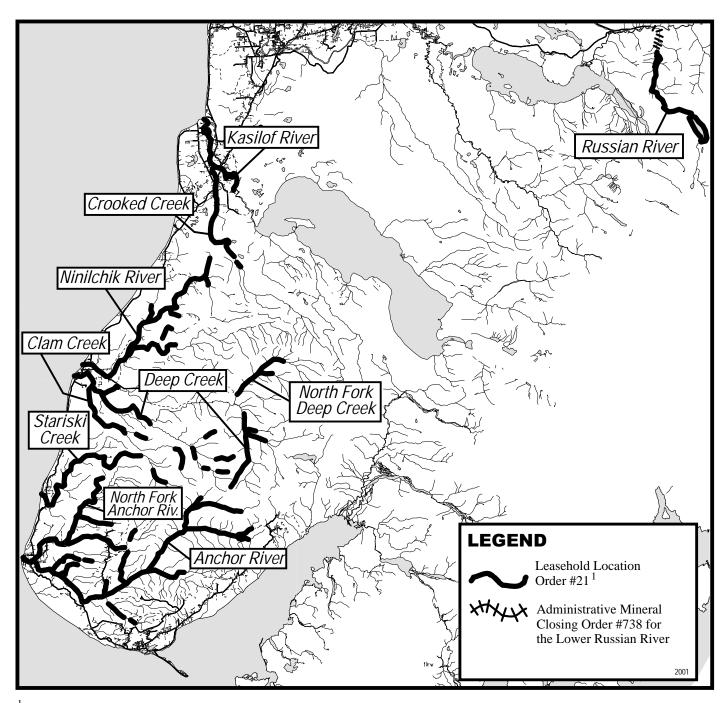
LEASEHOLD LOCATION ORDER #21 STIPULATIONS

The following stipulations will be included in all mining leases and be used in approving plans of operations:

- 1. The plans of operations must be consistent with the most recent version of the ADF&G Best Management Practices for Placer Mining.
- 2. No living accommodations for mining-related activities, either temporary or permanent, will be authorized within the area subject to the leasehold location order.
- 3. DNR will approve a plan of operations only when it can be demonstrated that the proposed mining operation will result in minimum practicable disturbance to the existing vegetation, and minimum construction and use of access roads and operational structures.
- 4. DNR will not approve a plan of operations that adversely affects fish passage, spawning, or rearing; other fish habitat; wildlife resources; recreational use; or the owner's use of adjacent private or municipal parcels. ADFG must concur with all such approvals.
- 5. DNR will require reclamation to a higher standard than the minimum set by State reclamation law (AS 27.19 and 11 AAC 97), including revegetation by reseeding or replanting with appropriate species. Reclamation shall enhance fish passage and fish habitat and restore damaged riparian habitat.
- 6. Underground mining operations may be allowed if they do not cause subsidence or other surface disturbance.
- 7. The Kenai River Advisory Board will have the opportunity to review mining plans of operation (this stipulation applies only to the upper Russian River).

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Map B.1 (Attachment B) LEASEHOLD LOCATION ORDER #21 ADMINISTRATIVE MINERAL CLOSING ORDER #738



This leasehold location order applies to shorelands and within 200' of ordinary high water where the DNR owns the subsurface estate. Where the subsurface estate is not state owned, the order does not apply.

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