

March 22, 1977

The Natural Resources Committee convened in room 437 on March 22, 1977, at 8:00 a.m. with Chairman Shelden presiding and all members present except Rep. Huennekens, who was excused, for a hearing on the following bill:

SB 268 As Senator Carroll Graham, Senate Dist. 29, was not present at 8:00 a.m. and a slide presentation was set up and ready to go, Chairman Shelden asked them to proceed.

STEVE GASH, Senior Licensing Engineer for the Wyoming Mineral Corporation, and W. A. EISENBARTH, Manager of Licensing and Safety of the Wyoming Mineral Corporation, presented a slide presentation on solution mining. They signed a witness sheet as wishing the bill amended and the sheet tells how they would have it amended. This is exhibit 1 and part of the minutes. They handed out a pamphlet on "Uranium Solution Mining" put out by their corporation and this is exhibit 2 of the minutes.

RICHARD KLINGER, speaking for Senator Graham due to his illness, said he was an attorney from Big Fork. He said he represents the Yellowstone-Tongue APO--which is one of four 208 agencies--local government agencies which have received federal funding because they are critical watersheds. With the funding, he said, comes a directive to prepare a management plan for the area. He said in the southeast corner of the state near Broadus there is concern about solution extraction of mining. He said they are not opposed to solution extraction of uranium, but only saying the water quality impacts from this are potentially severe--that specific regulations are required to guide this type of activity. He introduced the next speaker.

MAX BOTZ, Water Quality Bureau of the Department of Health, said he was speaking neither as a proponent or an opponent. He said we do not have specific laws to cover this area. He said the federal underground regulations should be ready by fall.

He said he has worked with uranium mining in the development and exploration stages. He said it is a relatively safe procedure as it uses common chemicals, and since the chemicals are expensive, it is to the company's benefit to recover them. He said we do need to be careful to protect our underground water--in eastern Montana, there is no alternative water source. He said we do need rules to regulate and control whatever problems might develop.

Mr. Klinger said this bill does not place a ban on the activity for an unconscionable length of time. He said they are confident

the rules to speak to this activity will be developed within a one-year time period.

During questions, Rep. Kessler asked if Wyoming Mineral Corporation was looking at any particular area. The answer was no, not so far--what they had found doesn't warrant developing. Rep. Bengtson asked about the amount of water needed--answer was 1 to 2% of the total throughput, so quite small. Rep. Nathe asked about keeping the solution from migrating upward in the strata. The answer was through pump tests and monitoring wells.

Chairman Shelden appointed the following committee to study the solid waste bills: Reps. Bengtson, Hirsch and Curtiss. Chairman Shelden left to appear before a Senate Committee and Rep. Harper became the acting chairman.

Rep. Nathe asked of Mr. Botz if the regulations would cover more than uranium. Answer was that it would cover all injection activity and not be specifically for uranium.

Mr. Botz responded to a question that their rules and regulations are in draft form--they are waiting to see what the federal regulations will be and if they will be compatible. In response to a question, Larry Lloyd, Department of Health, said the yellow cake (product of uranium production) is an enrichment process so it would be considered as a special nuclear material and so the companies producing would need to be licensed.

Rep. Frates asked concerning pollution of ground water. Mr. Botz said ground water moves very slowly and so if something did go wrong and they found out soon enough, it could be controlled.

Mr. Gash mentioned it would take about a year to fulfill other requirements, so with or without the moratorium, there would be a delay. He said Montana is looked on as an environmental conscious state and a bill putting a moratorium on solution mining might set up a precedent for other states. He suggested, too, that some development work could be done that might help in the writing of the regulations.

Meeting adjourned at 9:45 a.m.

Respectfully submitted,



---

ARTHUR SHELDEN, Chairman