



Idaho Department of Lands
Agency Guidance Document
[Minerals Regulatory Program](#)
Boise Staff Office
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IDAHO STATE BOARD OF LAND COMMISSIONERS

Minerals Policies

In accordance with [Executive Order 2020-02, Transparency in Agency Guidance Documents](#), guidance documents promulgated by the department are not new laws. They represent an interpretation of existing law, except as authorized by Idaho Code or incorporated into a contract.

Agency Contact

Bureau Chief – Resource Protection and Assistance

Contents

1. July 14, 1981 – Salmon River withdrawal from mineral entry
2. July 14, 1981 – South Fork of the Boise River withdrawal from mineral entry
3. July 13, 1982 – Middle Fork Boise River mineral entry withdrawal
4. December 10, 1985 – Signature Format for dredge and placer mining permits
5. October 13, 1987 – Permanent withdrawal of the Lower Salmon River between Hammer Creek and the mouth from mineral entry
6. August 9, 1988 – Permanent withdrawal of specified riverbeds from mineral entry
7. October 11, 1988 – Permanent withdrawal of segment of the bed of the Boise River
8. December 13, 1988 – Permanent withdrawal of two segments of the bed of the Snake River, situated within the Birds of Prey Area and the Hell’s Canyon National Recreational Area
9. April 10, 1990 – Modification of withdrawal of State-owned riverbeds having interim protected status to allow permitting of recreational dredge mining and renewal of producing riverbed lease
10. April 21, 1992 – Permanent withdrawal of State-owned bed of the South Fork of the Salmon River from the mouth through Township 20 North, Range 6 East, B.M., from any mineral entry
11. June 14, 2004 – Adoption of fee schedule for Reclamation Fund
12. November 20, 2018 – Reclamation Bond Assurance Fund recommended minimum balance
13. May 19, 2020 – Bond Assurance Fund participation policy

Summary

| | |
|-------------------|--|
| July 14, 1981 | Portion of the Salmon River (from the North Fork down to Long Tom Bar) is withdrawn from mineral entry. |
| July 14, 1981 | Portion of the South Fork Boise River (Anderson Dam to Neal Bridge) is withdrawn from mineral entry. |
| July 13, 1982 | Portion of the Middle Fork Boise River (Roaring River to Arrowrock Reservoir) is withdrawn from mineral entry. |
| December 10, 1985 | Dredge/placer permits are approved by the Land Board but may then be signed by the Director. |
| October 13, 1987 | Portion of Lower Salmon River (Hammer Creek to the mouth) is withdrawn from mineral entry. |
| August 9, 1988 | Portions of the following rivers are withdrawn from mineral entry: North Fork Payette River (Cabarton Bridge to Banks) South Fork Payette River (Sawtooth Wilderness Boundary to Banks) Main Payette River (Banks to Black Canyon Dam) Upper Priest River (Canadian Border to Priest Lake) South Fork Boise River (Anderson Ranch Dam to Neal Bridge) Snake River (middle section above King Hill) Henry's Fork of the Snake River (Henry's Lake to Ashton Reservoir) |
| October 11, 1988 | Portion of the Lower Boise River (Lucky Peak Dam to Star Bridge) is withdrawn from mineral entry except for flood control purposes. |
| December 13, 1988 | Portions of the Snake River within the Birds of Prey Area and Hells Canyon National Recreation Area are withdrawn from mineral entry. |
| April 10, 1990 | Portions of the following rivers are opened to recreational dredge mining: Snake River (middle section above King Hill) South Fork Payette River (Sawtooth Wilderness Boundary to Banks) |
| April 21, 1992 | All of the state owned portion of the South Fork Salmon River is withdrawn from mineral entry. |
| June 14, 2004 | Fee schedule for the Bond Assurance Fund is approved. |
| November 20, 2018 | Minimum balance of \$1,682,200 for the Bond Assurance Fund. |
| May 19, 2020 | Bond Assurance Fund participation policy approved. Sets the actual allowable disturbance at 40 acres and the actual allowable cost at \$220,000 for participation in the Bond Assurance Fund. Also sets a minimum reclamation cost of \$5,500 per acre to opt out of the Bond Assurance Fund. |

MEMO TO THE LAND BOARD

SUBJECT: Salmon River - Mineral Withdrawal Wild and Scenic Segment

DISCUSSION: In July of 1980, after several years of study, Congress classified the river segment from the North Fork of the Salmon River to Long Tom Bar under the Wild and Scenic Rivers Act. Although the action was taken subject to existing rights of the State of Idaho with respect to the beds of navigable streams, dredge and placer mining in any form is prohibited.

During 1980, within this classified segment, 59 Mineral Locations on 1180 acres, were filed and five riverbed lease applications for 875 acres were received. The Mineral Location rights will expire June 30, 1982; the lease applications have not been submitted to the Board.

In the preparation of the Riverbed Leasing Rules the Board considered inclusion of a withdrawal from mineral entry for the Salmon River. This portion of the rules was deleted in the final approval to allow the State Legislature the opportunity to consider withdrawal legislation. The Legislature did not develop legislation as it has in the past to withdraw rivers classified as wild, scenic or recreational from dredge and placer mining (Section 47-1323, Idaho Code).

The U.S. Forest Service is developing a procedure for enforcement of the ban against dredge and placer mining on the Salmon River. Implementation of this is scheduled for early summer 1981.

A withdrawal of the classified segment of the Salmon River from mineral entry to protect recreational and other public use as authorized in Section 47-702 and 58-104(9), Idaho Code would head off a confrontation between the State's permittees and the U.S. Forest Service. A commercial placer mining venture is not compatible with the concept of the wild river. The Land Board would be exercising jurisdiction and right of title over the bed of a navigable river while protecting a valuable esthetic and recreational source.

RECOMMENDATION: That the Salmon River from the mouth of the North Fork of the Salmon River downstream to Long Tom Bar be withdrawn from mineral entry to protect the recreation and public use as authorized in Sections 58-104(9) and 47-702, Idaho Code.

RECOMMENDATION APPROVED: ✓

JUL 14 1981

RECOMMENDATION DENIED:

OTHER ACTION:

WAS:bv
6/8/81

1980

11 15 25

MEMO TO THE LAND BOARD

SUBJECT: South Fork of the Boise River Withdrawal from Mineral Entry

DISCUSSION: The South Fork of the Boise River from Anderson Dam to Neal Bridge is considered to be one of the most productive trophy trout streams in Idaho. The quality of fishing has been improved through limiting number and size in bag limits, requiring artificial lures, and developing spawning areas in tributary streams. In addition to the fishing value, the stream is popular for whitewater rafting and kyaking, and is tributary to Arrowrock Reservoir, part of the Boise irrigation project.

In early 1980 the Department received and processed two riverbed lease applications from C & O Mining for this reach of river. At the hearing held in relation to the application, testimony was overwhelmingly against leases. Petitions bearing more than 4500 signatures were submitted in opposition to the lease application. This opposition caused the applicant to withdraw the application.

On June 20, 1980 Russell Berbes filed 46 mineral locations for this reach of river. The locations will be valid through June 1982 unless the claimant has failed to perform assessment work as required by Law.

The just past legislative session acted to amend Section 47-702, Idaho Code, to allow withdrawal of specific tracts of State land from mineral entry and establish the procedure. In addition, Section 58-104(9), Idaho Code, gives the Board authority to regulate and control the use of the beds of navigable rivers. Although a formal finding of navigability has not been made administratively or by the court, the evidence, including segregation in the federal land survey, clearly points to navigability in fact. The State has exercised jurisdiction over the beds at least since 1967.

A mining venture on a scale large enough to be economic, if mineral values exist at all, would destroy or reduce the quality of fishing and the esthetic experience of boating on an unspoiled river. Disturbance of the streambed from mining would cause a migration of sand and fine gravel into Arrowrock Reservoir.

RECOMMENDATION: That the South Fork of the Boise River from Anderson Dam to Neal Bridge be withdrawn from mineral entry to protect the recreation and public use as authorized in Section 58-104(9) and 47-702, Idaho Code.

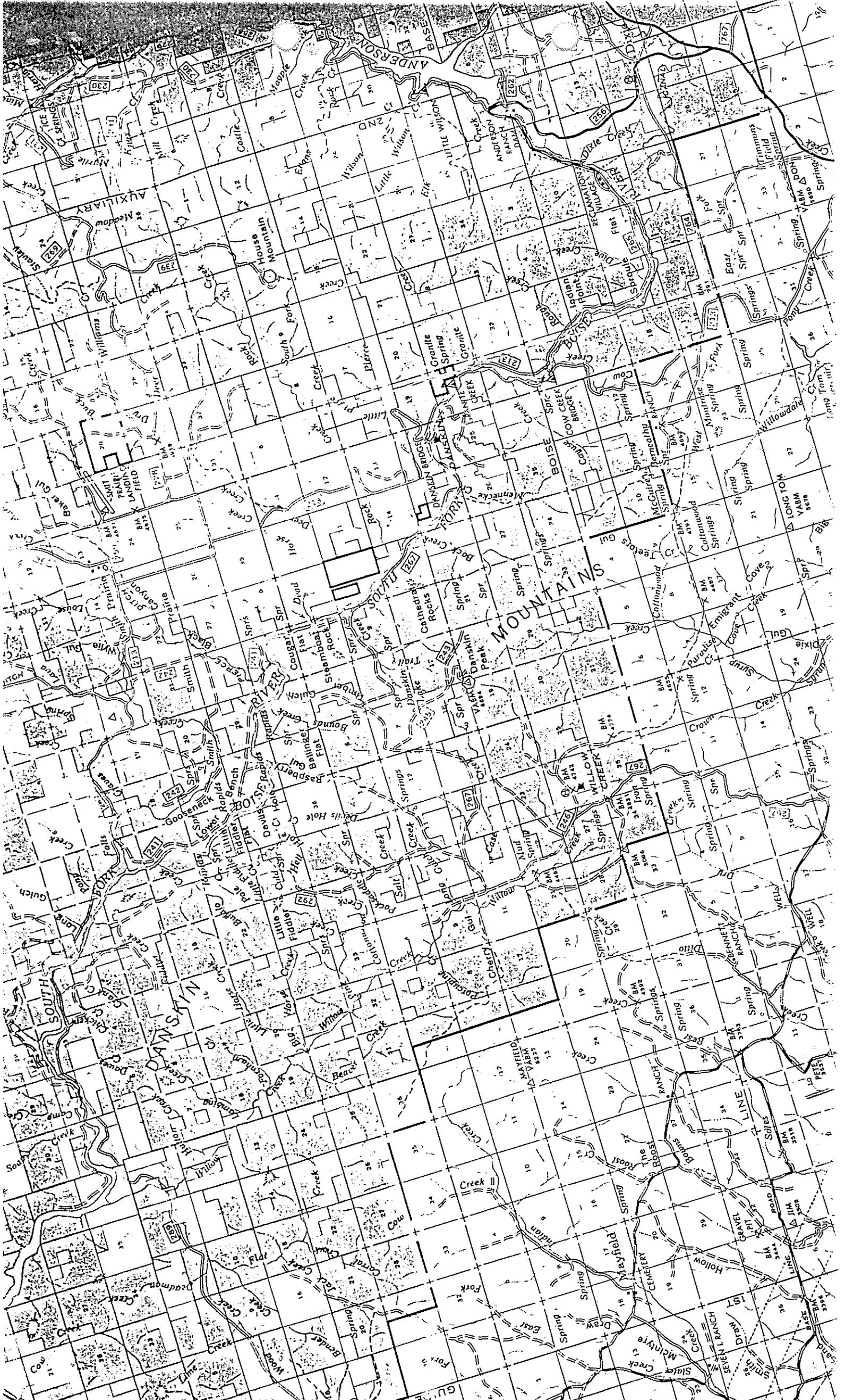
RECOMMENDATION APPROVED: ✓ JUL 14 1981
1961 7 7 700

RECOMMENDATION DENIED:

OTHER ACTION:

WAS:bv
6/2/81

OHAWO
10:00 5 6 3: 01



MEMO TO THE LAND BOARD

SUBJECT: Middle Fork Boise River
Mineral Entry Withdrawal

DISCUSSION: The entire course of the Middle Fork of the Boise River is an important source of irrigation water and a habitat for wild rainbow trout, Dolly Varden, and whitefish. The gravels and the present stream structure are important to the maintenance of a wild fish population. The federally controlled river banks are for the most part withdrawn from mineral entry to protect Arrowrock Reservoir from siltation.

Mineral values do exist within the streambed, but cannot economically be recovered without disruption of the streambed and adjacent banks. Restrictions on stream channel alteration permits limit the season of operation and size of equipment severely. A permit for a large scale operation would be close to impossible for an operator to acquire.

The state has claimed ownership of the riverbed from the east boundary of Township 5 North, Range 8 East near the mouth of Roaring River downstream. Between Roaring River and the headwaters of Arrowrock Dam, the state has one lease application pending for 17 miles and 495.91 acres of riverbed; the application does not conform to current leasing rules. In addition, nine valid mineral locations have been made on an additional 10 miles of river; these locations expire on 30 June 1982.

Section 47-702, Idaho Code, provides for withdrawal of specific tracts of State land from mineral entry and establishes the procedure therefore. In addition, Section 58-104(a), Idaho Code, gives the Board authority to regulate and control the use of the beds of navigable rivers. A formal finding of navigability has not been made administratively or by the courts, but evidence, including segregation in the federal land survey, clearly points to navigability in fact. The state has exercised jurisdiction over the beds at least since 1967.

A mining venture on a scale large enough to be economic would destroy or reduce the quality of fishing and the esthetic experience of driving along or floating on an unspoiled river. Disturbance of the streambed by mining would cause migration of sand and fine gravel into Arrowrock Reservoir.

RECOMMENDATION: That the Middle Fork of the Boise River from the east boundary of Township 5 North, Range 8 East, B.M. downstream to the west *be withdrawn* boundary of Section 1, Township 3 North, Range 5 East, B.M. from mineral entry to protect recreation and public use as authorized in Section 47-702 and 58-104(9), Idaho Code.

RECOMMENDATION APPROVED: ✓ JUL 13 1982

RECOMMENDATION DENIED: _____

OTHER ACTION: _____

WAS:bv
4/23/82

extinguish existing lease applications

STATE BOARD OF LAND COMMISSIONERS
December 10, 1985

SUBJECT

Signature format for Dredge and Placer Mining Permits.

AUTHORITY

Idaho Code title 47, chapter 1317(b)

DISCUSSION

The current practice, following board approval of dredge and placer mining permit applications with conditions and stipulations as may be appropriate, is to prepare the formal permit for signature by the Governor, Secretary of State and the Director.

In the interest of streamlining the permit issuance procedure, the department proposes that, following board approval of a dredge and placer mining permit, only the permittee's and the director's signatures be required on the permit.

This would enable the department to prepare the permit and hold for signature pending submission of the required bond. Upon receipt of the bond, the permit could be signed by the director and issued the same day.

RECOMMENDATION

Dredge and placer mining permits, after approval by the Board, may be issued under the director's signature.

BOARD ACTION

Approved

DEC 10 1985

ATTACHMENTS

- 1) Current signature format.
- 1) Recommended signature format.

LMJ:sjb

STATE BOARD OF LAND COMMISSIONERS

October 13, 1987

SUBJECT

Permanent withdrawal of the Lower Salmon River between Hammer Creek and the mouth from mineral entry.

AUTHORITY

Title 47, Chapter 7, Section 47-702(2); Rights of Exploration and Withdrawal

BACKGROUND

In July 1982, the Land Board placed a temporary withdrawal on all mining activity on the Lower Salmon River from Hammer Creek to the mouth. This temporary withdrawal expires December 30, 1987. Presently this stretch of river is unencumbered by any mineral claims or leases.

DISCUSSION

The 1982 Land Board withdrawal resulted from a request received from the Bureau of Land Management (BLM), wherein they stated that even recreational dredge mining had the "potential to adversely affecting the aquatic habitat and water quality and interfere with recreation activities." Since the state's temporary withdrawal, the BLM in 1986 has completed the withdrawal of their lands within one-quarter mile of the river and placed these lands in the Wild and Scenic Rivers Act.

Both the Idaho Department of Fish and Game and the BLM have discussed the increase in the steelhead populations as well as a three-fold increase in the steelhead fishermen for the captioned river section. These agencies also believe that mining in this area would cause an adverse impact on the recovering fish populations.

IDL staff doubts that recreational mining has any great impact on the river system, however, with the limited road access to the Lower Salmon, recreational miners would tend to concentrate at access sites. While the recreational miners do generate some income to the general fund, it is doubtful these revenues would be significant in comparison to other river uses.

For these reasons, along with the fact these river uplands have been included as a study river under the Wild and Scenic Rivers Act, IDL recommends a permanent withdrawal of the Lower Salmon River.

RECOMMENDATION

Permanently withdraw the Lower Salmon River from all forms of mineral entry.

BOARD ACTION

Approved
OCT 13 1987

ATTACHMENTS

1. Map of river area
2. USDI letter of comment
3. IDFG letter of comment

LLJ:sjb



46° 00'

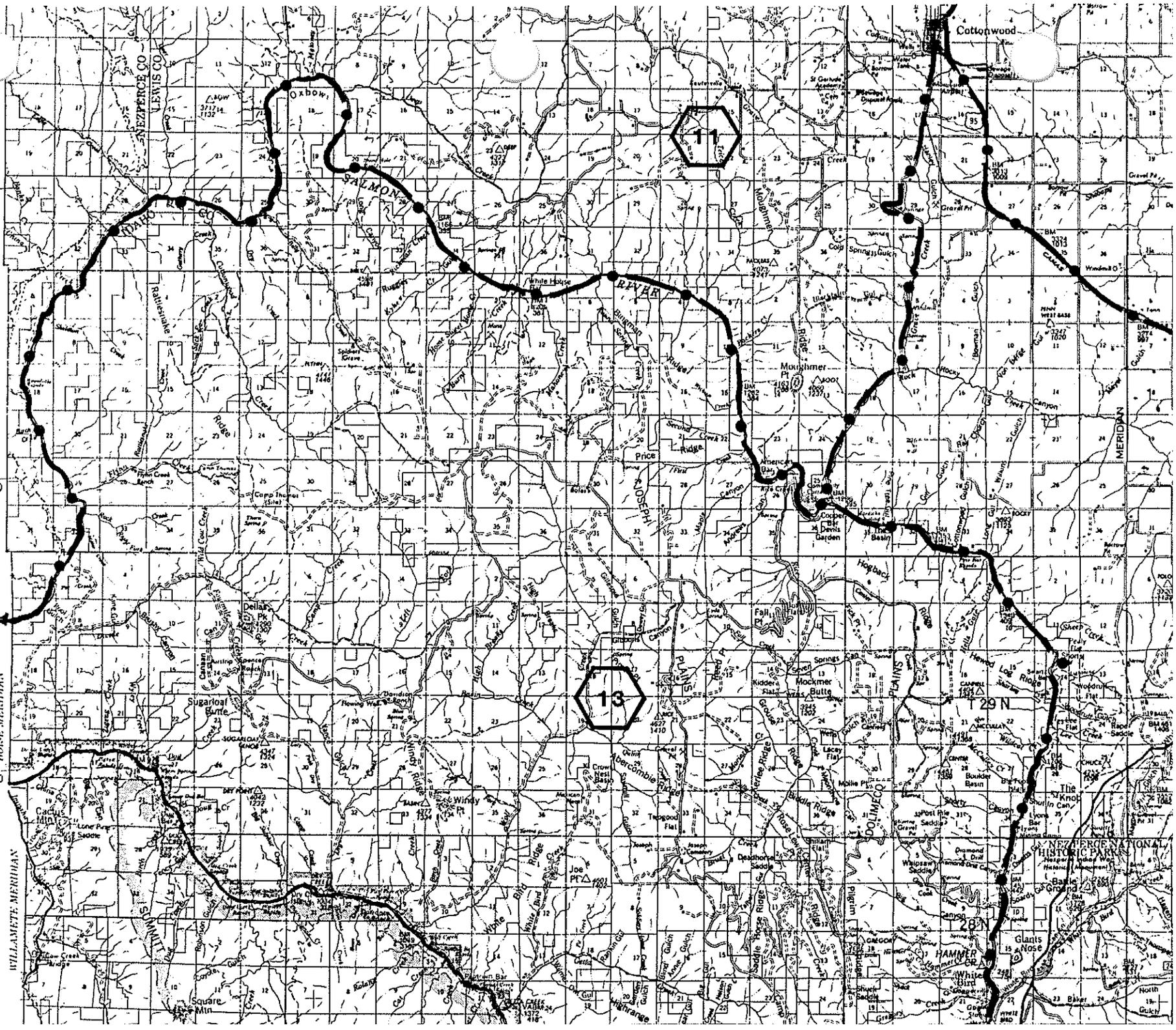
T. 31 N.

T. 30 N.

T. 29 N.

50'

T. 4 N.



NORTH

BOISE MERIDIAN

WILLAMETTE MERIDIAN

MERIDIAN

NEZ PERCE NATIONAL HISTORIC PARK

HAMMER CREEK

White Bird

Glants

North Gulch

STATE BOARD OF LAND COMMISSIONERS

August 9, 1988

SUBJECT

Permanent withdrawal of specified riverbeds from mineral entry.

AUTHORITY

Title 47, Chapter 7, Section 47-702(2): Rights of Exploration and Withdrawal.

BACKGROUND

In its 1988 session, the Idaho Legislature passed, and Governor Andrus signed into law, House Bill No. 780, which directs the Idaho Water Resource Board to establish a comprehensive state water plan. The House Bill is now codified as Idaho Code Sections 42-1730, 31, and 42-1734 through 1734I. Idaho Code Section 42-1734D directs the Water Resources Board to designate portions of five rivers as interim protected rivers, pending final review of whether these rivers qualify for designation as "natural rivers."

On July 1, 1988, the Water Resources Board passed a resolution designating portions of five rivers as interim protected rivers. This resolution, in accordance with Idaho Code Section 42-1734A(5), prohibits dredge or placer mining and alterations of the streambed on the interim protected rivers. The board also passed a resolution adopting emergency rules, which designate the same portions of these five rivers as interim protected rivers. Interim protected river status may last as long as two years, until the Water Resources Board adopts a comprehensive state water plan, or until the interim protected status is revoked by law.

The portions of the affected rivers are described as follows:

- 1) North Fork of the Payette River, from Cabarton Bridge to Banks.
- 2) South Fork of the Payette River, from the Sawtooth Wilderness Boundary to Banks.
- 3) Main Payette River, from Banks to Black Canyon Dam.
- 4) Priest River, from the Canadian Border to the confluence of Priest Lake.
- 5) South Fork of the Boise River, from Anderson Ranch Dam to Neal Bridge.
- 6) Snake River, from Section 5, Township 11 South, Range 20 East, B.M. to King Hill.
- 7) Henry's Fork of the Snake River from its point of origin at Henry's Lake to the point of its confluence with the backwaters of Ashton Reservoir.

DISCUSSION

The Land Board has already withdrawn the stated portion of the South Fork of the Boise River from mineral entry on July 14, 1981. There have been no claims or leasing activity on the Priest River or the Henry's Fork. Therefore the closure of these river segments should present no problems for IDL. Additionally there have been no claims or leasing activity on the North Fork of the Payette or the Main Payette Rivers. The remaining rivers have either

claims or leases, or both. These rivers and the claims or leases involved are listed in the attached exhibit. As these claims expire, they will not be converted to leases, nor shall the leases be renewed.

RECOMMENDATION

To have a clear direction for the processing of future claims or leases on the rivers that have been designated as Interim Protected Rivers, IDL is recommending that the aforesated rivers be withdrawn from mineral entry pursuant to Idaho Code section 47-702(2).

BOARD ACTION

Approved

AUG 9 1988

ATTACHMENTS

Exhibit listing claims and leases on the areas to be withdrawn.

LLR:sjb

STATE BOARD OF LAND COMMISSIONERS
SUBJECT: WITHDRAWAL OF RIVERBEDS
PAGE II

EXHIBIT

Mining claims and leases presently located on the interim protected rivers:

RIVER: South Fork of the Payette

| <u>Claim/Lease #</u> | <u>Claimant/Lessee</u> | <u>Location</u> | <u>Expiration</u> |
|----------------------|------------------------|--------------------------|-------------------------|
| MC 3462 | Max Heberling | Pt. Sec. 34: T9N, R5E | 7/1/90 |
| MC 3463 | Max Heberling | Pt. Sec. 33: T9N, R5E | 7/1/90 |
| MC 3481 | William C. Ridgway | Pt. Sec. 9: T8N, R5E | 7/1/90 |
| MC 3483 | William C. Ridgway | Pt. Sec. 33: T9N, R6E | 7/1/90 |
| MC 3490 | David Caddy | Pt. Sec. 2: T8N, R5E | 7/1/90 |
| MC 3491 | David Caddy | Pt. Sec. 6: T8N, R5E | 7/1/90 |
| MC 3492 | David Caddy | Pt. Sec. 6: T8N, R5E | 7/1/90 |
| MC 3493 | David Caddy | Pt. Sec. 10: T8N, R5E | 7/1/90 |
| MC 3494 | David Caddy | Pt. Sec. 10: T8N, R5E | 7/1/90 |
| MC 3494 | Tom Rowe | Pt. Sec. 31: T9N, R6E | 7/1/90 |
| MC 3496 | David A. Kubich | Pt. Sec. 31: T9N, R6E | 7/1/90 |
| MC 3497 | David A. Kubich | Pt. Sec. 32: T9N, R6E | 7/1/90 |
| MC 3498 | David A. Kubich | Pt. Sec. 32: T9N, R6E | 7/1/90 |
| MC 3499 | David A. Kubich | Pt. Sec. 33: T9N, R6E | 7/1/90 |
| MC 3500 | David A. Kubich | Pt. Sec. 27&28: T9N, R7E | 7/1/90 |
| MC 3520 | Curt Chipp | Pt. Sec. 34: T9N, R6E | 7/1/90 |
| MC 3533 | William C. Ridgway | Pt. Sec. 1&2: T8N, R6E | 7/1/90 |
| MC 3545 | American Gold Inc. | Pt. Sec. 8: T8N, R5E | Filed 7/6/88 Pending |
| MLA 8842 | De Bowman | Sec. 11: T8N, R5E | Filed 6/30/88 Denied |

RIVER: Snake River

| <u>Claim/Lease #</u> | <u>Claimant/Lessee</u> | <u>Location</u> | <u>Expiration</u> |
|----------------------|------------------------|---------------------------|-------------------|
| ML 3554-R | Crystal Springs Ranch | Pt. Sec. 11&12: T9S, R15E | 12/89 |
| MC 3482 | Gary Stone | Pt. Sec. 32&33: T9S, R18E | 7/1/90 |
| ML 8804 | Gary Stone | Sec. 4: T10S, R18E | 8/92 |

The riverbed lease application (MLA 8842) filed by De Bowman was filed per Section 47-703 since the mining claim held by this individual had matured and as required by the stated section if a claimant had a continuing interest in the claim site they are required to apply for a mineral lease from IDL. This application was denied.

The claim (MC 3545) filed by American Gold Inc. was submitted after the Resolution closing the river was in place. IDL has given the claimant the option of withdrawing its claim in view of the fact that mining is now prohibited.

STATE BOARD OF LAND COMMISSIONERS

October 11, 1988

SUBJECT

Permanent withdrawal of segment of the bed of the Boise River.

AUTHORITY

Idaho Code, Title 47, Chapter 7, section 47-702(2): Rights of Exploration and Withdrawal.

BACKGROUND

The Boise River, mainly that segment flowing through Boise, Garden City, and down river has become exceedingly important for its recreational uses such as; floating and its scenic beauty, especially along the Green Belt. There has been little interest in the river for its metalliferous value, but occasionally the Department has had requests for recreational mining and has observed recreational mining of the river.

DISCUSSION

To prevent the filing of mining claims and related mining activity that would cause public objection, the Department is recommending that the following segment of the Boise River be withdrawn from mineral entry:

From Lucky Peak Dam in Township 2 North, Range 3 East, B.M. down river to Star Highway in Township 4 North, Range 1 West, B.M.

Since this segment has been included in the Boise Flood Control District and periodically needs sand and gravel removed for flood control purposes, this withdrawal is not intended to affect mineral extraction related to flood control measures. Therefore, it is to remain open to mineral entry for the extraction of sand and gravel for flood control purposes.

The proposed withdrawal is limited only to the extraction of precious metals and related mining activity including recreational mining.

RECOMMENDATION

Withdraw the captioned river segment from recreational mining and mineral entry with the exclusion of removal of sand and gravel for flood control purpose and advertise this withdrawal as set forth in Idaho Code, section 47-702(2).

BOARD ACTION

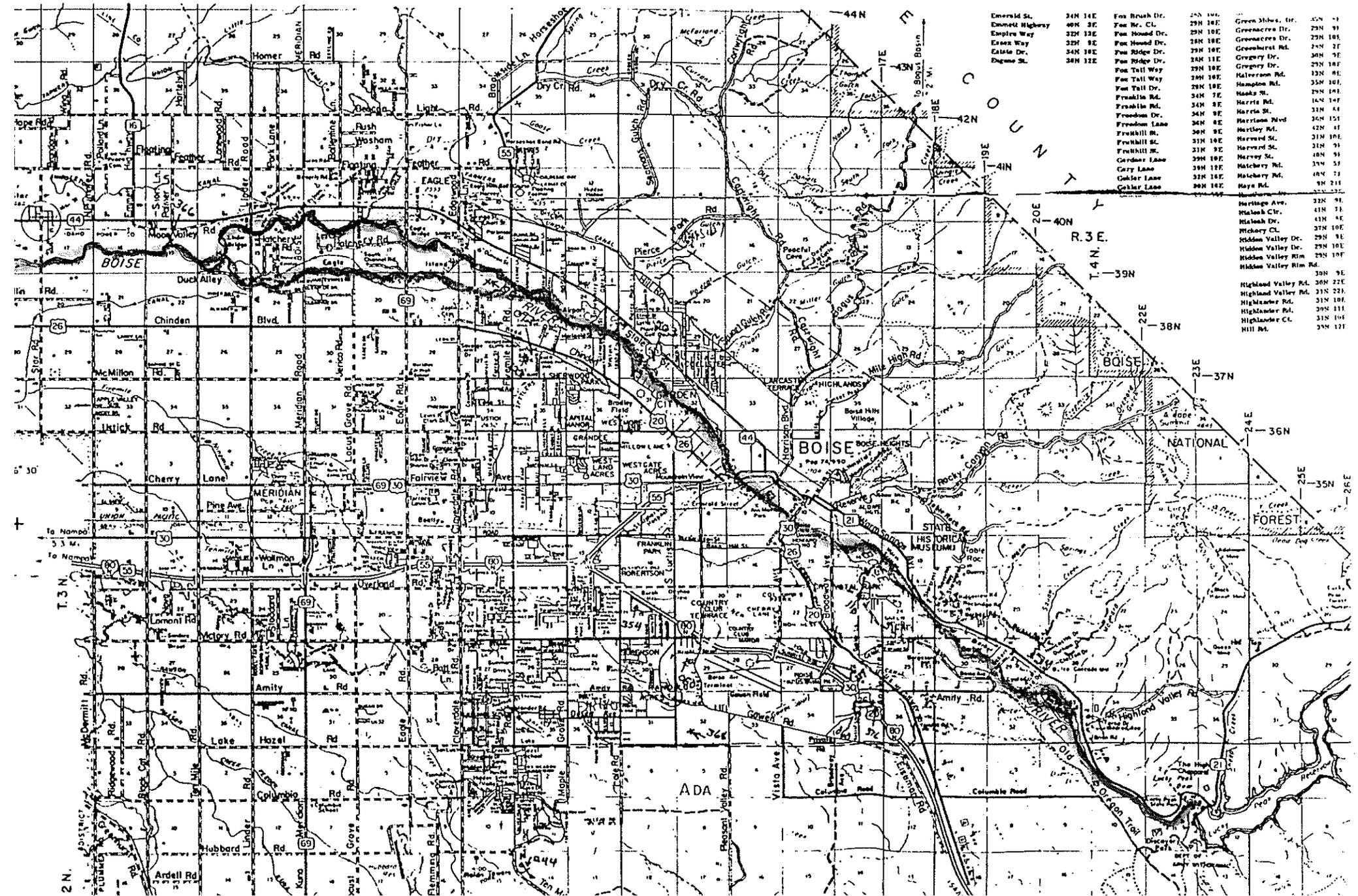
Approved

OCT 11 1988

ATTACHMENTS

1. Map of area to be withdrawn

LLR:lh
09/30/88

| | | | | | |
|----------------|---------|---------------|---------|-----------------------|---------|
| Emerald St. | 34N 14E | Fun Brush Dr. | 29N 10E | Green Shovel Cr. | 25N 11E |
| Emmett Highway | 40N 3E | Fun Br. CL | 29N 10E | Greenacre Dr. | 29N 9E |
| Empire Way | 32N 13E | Fun Hood Dr. | 28N 10E | Greenacres Dr. | 29N 10E |
| Essex Way | 32N 9E | Fun Hood Dr. | 28N 10E | Greencrest Rd. | 28N 2E |
| Galate Dr. | 34N 10E | Fun Ridge Dr. | 29N 10E | Gregory Dr. | 30N 7E |
| Dugone St. | 34N 12E | Fun Tall Way | 28N 10E | Gregory Dr. | 29N 10E |
| | | Fun Tall Way | 28N 10E | Halverson Rd. | 32N 0E |
| | | Fun Tall Dr. | 28N 10E | Hampton Rd. | 35N 10E |
| | | Frankie Rd. | 34N 7E | Harris Rd. | 29N 10E |
| | | Frankie Rd. | 34N 7E | Harris St. | 31N 4E |
| | | Freedom Dr. | 34N 9E | Harrison Blvd | 36N 15E |
| | | Freedom Lane | 34N 9E | Hartley Rd. | 42N 4E |
| | | Freshhill Dr. | 30N 9E | Harvard St. | 31N 10E |
| | | Freshhill St. | 31N 9E | Harvard St. | 31N 9E |
| | | Gardner Lane | 39N 10E | Harvey St. | 40N 9E |
| | | Gary Lane | 39N 12E | Hatchery Rd. | 31N 5E |
| | | Gohler Lane | 39N 10E | Hatchery Rd. | 31N 5E |
| | | Gohler Lane | 39N 10E | Hays Rd. | 30N 21E |
| | | | | Hawthorne Dr. | 32N 22E |
| | | | | Helen Dr. | 41N 5E |
| | | | | Hickory Cl. | 37N 10E |
| | | | | Hudson Valley Dr. | 29N 11E |
| | | | | Hudson Valley Rim | 29N 10E |
| | | | | Hudson Valley Rim Rd. | 30N 9E |
| | | | | Highland Valley Rd. | 30N 22E |
| | | | | Highland Valley Rd. | 31N 22E |
| | | | | Highlander Rd. | 31N 10E |
| | | | | Highlander Rd. | 30N 11E |
| | | | | Highlander Cl. | 31N 10E |
| | | | | Hill Rd. | 29N 12E |

STATE BOARD OF LAND COMMISSIONERS

DECEMBER 13, 1988

SUBJECT

Permanent withdrawal of two segments of the bed of the Snake River, situated within the Birds of Prey Area and the Hell's Canyon National Recreational Area

AUTHORITY

Idaho Code title 47, chapter 7, section 47-702(2): Rights of Exploration and Withdrawal

BACKGROUND

Over the past several years, portions of the Snake River have been included in national reserves such as the "Birds of Prey" and the "Wild and Scenic River" system. These river segments have not been withdrawn from mineral entry by IDL.

This topic was before the Board on August 9 when Mr. Jerry Evans moved to have it deferred. Meanwhile the department staff was directed to check with the Department of Water Resources regarding any plans they may have about protective status for these river segments. Additionally, IDL solicited comments from other state and federal agencies.

DISCUSSION

The Snake River segments recommended for this withdrawal are as follows:

Birds of Prey Area (BPA): From East boundary of Township 6 South, Range 8 East to the West boundary of Township 1 South, Range 2 West, B.M.

Hell's Canyon National Recreation Area (HCNRA): From North boundary of Township 20 North, Range 4 West to the South boundary of Township 31 North, Range 5 West, B.M. State of Idaho ownership only to the center of the main channel.

Presently these river segments can be placed under mining claims without agency review. There are no claims or leases in the BPA. However, there are three claims located in the HCNRA. These claims expire June 30, 1989.

A check with the Department of Water Resources indicated they have no plans to include any additional rivers or streams in the

interim protected river status until those that were recently withdrawn have been studied to determine if they qualify for permanent withdrawal. This study will take place over the next two years.

IDL is recommending permanent withdrawal of the captioned river segments. The basis of this withdrawal is to prevent potential mining activities from interfering with development of the recreational interests and the establishment of wildlife habitat.

The HCNRA is managed by the Wallowa-Whitman National Forest to maintain management consistency. Lands and water within this area support such activities as flat water boating, water skiing, fishing, hunting, camping and other outdoor activities. Summer activities this past season included approximately 5000 floaters and 4000 powerboats, with a total visitation in the area numbering from 17000 to 19000 users. This activity accrued in the area of Hell's Canyon Dam, the upper reach of the reserve. The information on the lower portion of the reserve from the confluence of the Salmon and the Snake Rivers downstream to Lewiston has not been compiled for 1987 or 1988, however, estimated use for powerboats during 1988 was approximately 15000 visits.

The HCNRA provides critical habitat for rainbow trout, small mouth bass, catfish, giant white sturgeon, steelhead and chinook salmon. Adjacent lands support big game and chukars. This area is also rich in cultural resources, both historic and prehistoric.

The BPA is an area of international significance attracting considerable public use. Monitoring the use in this area has been limited to spring and summer (a four month period). Over a four year period from 1985 through 1988, it was estimated that 17000 people visited the area during the four month interval each season. Fishing comprised about 35% of the total use. With the remaining use being made up by individuals camping, fishing, boating, hunting, commercial rafting, and those seeking environmental education.

The BPA provides critical habitat for about 300 pairs of riparian nesting raptors. The area also supports a wintering population of bald eagles, ducks and geese, along with a population of white sturgeon.

Comments were received from the Idaho Fish and Game, Bureau of Land Management, Idaho Outfitters and Guides, and the Wallowa-Whitman National Forest. All those responding were in favor of the proposed withdrawal. Those commenting on the HCNRA requested that the withdrawal include a larger area than IDL had proposed. The withdrawal as now outlined, has been increased to cover the major portion of the HCNRA.

Mining interest in both proposed withdrawals is minimal and provides very little income to the general fund. For this reason, and the fact that mining is not conducive with other activities in the proposed withdrawals, IDL recommends closing the captioned river segments to further mineral entry.

RECOMMENDATION

Withdraw the designated area in the BPA and HCNRA from all forms of mineral entry.

BOARD ACTION

Approved

DEC 13 1988

ATTACHMENTS

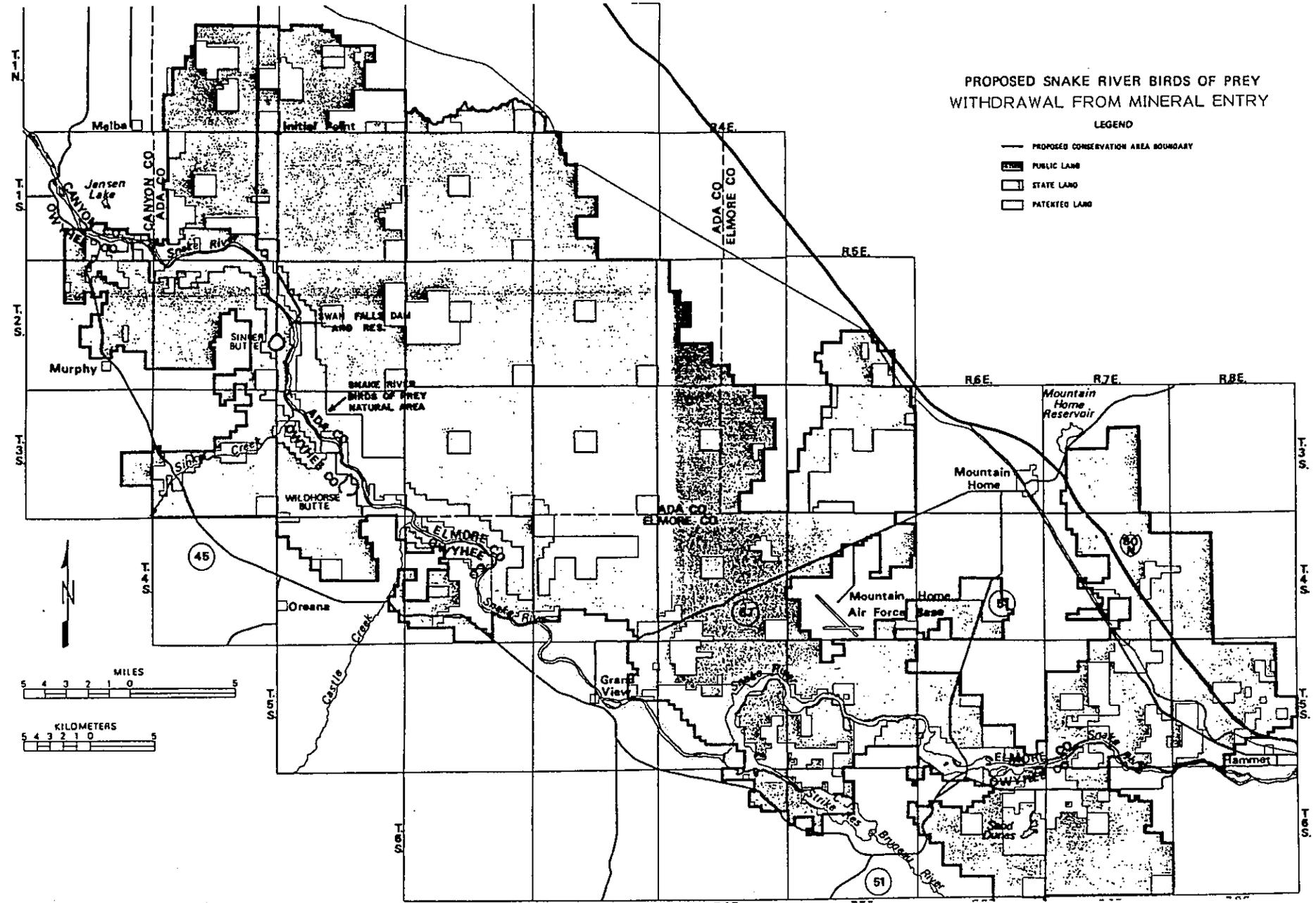
- 1) Vicinity Map - Birds of Prey segment
- 2) Vicinity Map - Hells Canyon NRA segment

LLR:lh
11/30/88

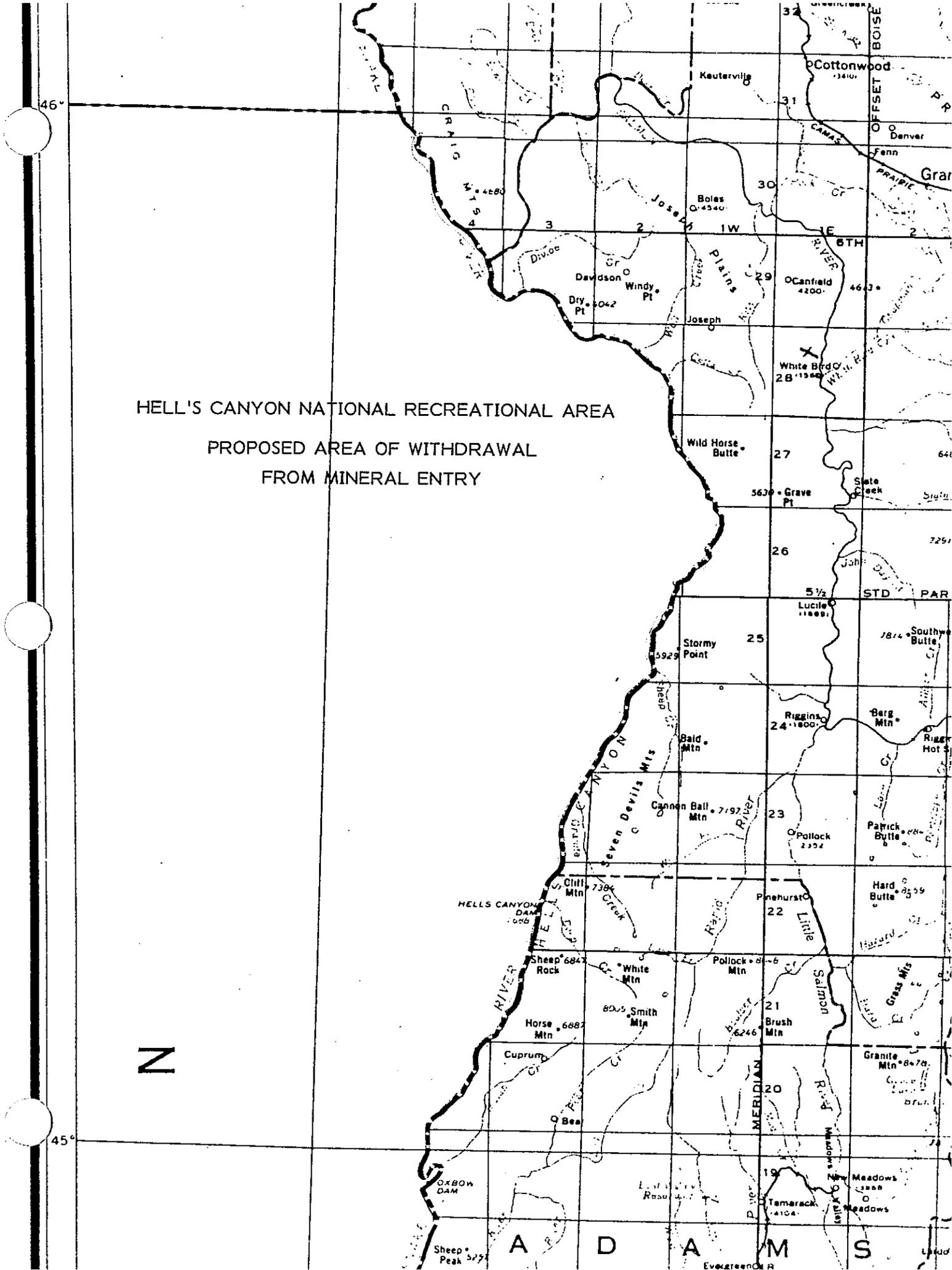
A handwritten signature in black ink, appearing to be 'R. R.', written over the typed name and date.

PROPOSED SNAKE RIVER BIRDS OF PREY
WITHDRAWAL FROM MINERAL ENTRY

- LEGEND
- PROPOSED CONSERVATION AREA BOUNDARY
 - ▨ PUBLIC LAND
 - STATE LAND
 - PATENTED LAND



HELL'S CANYON NATIONAL RECREATIONAL AREA
PROPOSED AREA OF WITHDRAWAL
FROM MINERAL ENTRY



STATE BOARD OF LAND COMMISSIONERS

APRIL 10, 1990

SUBJECT

Modification of Withdrawal of State-owned Riverbeds Having Interim Protected Status to Allow Permitting of Recreational Dredge Mining and Renewal of Producing Riverbed Leases.

AUTHORITY

Idaho Code Sections 47-702 and 47-704.

BACKGROUND

The State Board of Land Commissioners closed several river segments to mineral entry and exploration in conjunction with a resolution adopted by the Idaho Water Resource Board pursuant to Idaho Code sections 42-1734D and 42-1234H designating portions of five rivers as interim protected rivers. The Land Board's closure also included a statement that the existing claims upon expiration would not be converted to leases and leases that were in effect would not be renewed.

The duration of the Land Board's withdrawal is for such time as these riverbeds have interim or other protective status under the comprehensive state water plan, Section 42-1734A. (Attachment 1)

However, effective May 12, 1989, the Idaho Water Resource Board resolved: "That it is the intent of the Board to manage all forms of recreational dredging in interim protected rivers. Where an applicant can meet the conditions established by the Department of Water Resources (IDWR) for the necessary stream channel alteration permit, such permit shall be issued and such activity is hereby excluded for prohibition arising from subsection 42-1734D." (Attachment 2)

Subsequent to this resolution, IDWR issued numerous recreational dredge mining permits on the river segments that had been closed to mineral entry by the State Board of Land Commissioners. To rectify the confusion generated from permits issued by IDWR and notices sent by IDL requesting that dredging equipment be removed from the closed segments, IDL and IDWR staff met to develop a mutually agreeable solution to this issue.

DISCUSSION

IDWR, together with IDL and the other reviewing state agencies have, as a matter of practice for several years, been meeting annually to review the recreational dredge application for stream alteration Form 3804A. This revised permit is presently being processed in its final form for the 1990 field season.

IDWR permitting regulations for 1990, will allow a recreational dredge with an intake diameter of five inches (5") or less and equipment rated at 15 HP or less to be approved without special processing by IDWR staff; provided, the stream has not been classified for interim protected status. Applications involving streams classified for interim protected status, must be on the long form 3804B which requires special processing.

IDL's regulations, established by riverbed leasing rules, state a recreational dredge can operate under the open exploration clause provided the dredge has a two-inch (2") intake diameter or less. For dredges having an intake diameter greater than two inches (2") but six inches (6") or less, the operator must have a mining claim filed with IDL. A mineral lease is required for a dredge with an intake diameter greater than six inches (6"). (IDAPA 20.10)

Presently IDL is processing applications for the renewal of producing mineral leases on the closed portion of the Snake River. Since these mineral leases have a vested property right and since the lessee has an approved water appropriation permit (Permit # 20-7377), the renewals are exempt in accord with Section 42-1734F from the interim protected status as defined in Section 42-1734D. Hence, there should be no problem in modifying the withdrawal of the closed portion of the Snake River allowing for the renewal of the producing mineral leases.

Additionally, IDL has received several requests to reopen the South Fork of the Payette and the Snake River segments for recreational dredging. (Attachments 3)

Modification of the withdrawal to allow issuance of recreational dredge mining permits under IDWR stream channel alteration regulations will be consistent with the Idaho Water Resources Board resolution regarding interim protected status for the following described river segments:

- 1) SNAKE RIVER - from Section 5, Township 11 South, Range 20 East, B.M. down river to King Hill.
- 2) SOUTH FORK OF THE PAYETTE RIVER - from the Sawtooth Wilderness Boundary to Banks.

RECOMMENDATION

1. Modify the withdrawal of the Snake River segment to enable the renewal of any producing leases and to enable the IDWR to process recreation dredge mining permit applications that are consistent with the Idaho Water Resource Board restrictions, IDWR permitting requirements and the Land Board's riverbed leasing rules.
2. Modify the withdrawal of the South Fork of the Payette River segment to enable IDWR to process recreation dredge mining permit applications that are consistent with the Idaho Water Resource Board restrictions, IDWR permitting requirements and the Land Board's riverbed leasing rules.

BOARD ACTION

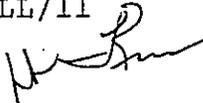
Approved (3-2)

APR 10 1990

ATTACHMENTS

- 1) August 1988 - Land Board Memorandum
- 2) Idaho Water Resource Board - Resolution
- 3) Request Letters

LL/11



STATE BOARD OF LAND COMMISSIONERS

April 21, 1992

SUBJECT

Permanent withdrawal of state-owned bed of the South Fork of the Salmon River from the mouth through Township 20 North, Range 6 East, B.M., from any mineral entry.

AUTHORITY

Idaho Code title 47, chapter 7, section 47-702(2): Right of Exploration and Withdrawal.

BACKGROUND

The state considers the South Fork of the Salmon River, from its confluence with the Main Salmon River, upstream through Township 20 North, Range 6 East, B.M., as a navigable river for purposes of state title to the bed. This segment is approximately 31 miles long.

Mining claims have been located on the South Fork of the Salmon River in the past. Forest Service personnel had difficulties dealing with several miners, on the river, when attempting to administer surface management regulations because of the hostile attitudes and actions of the claimants.

There are no active state exploration locations or leases on the river at this time. No royalties have ever been reported to the state on the South Fork of the Salmon River. Active suction dredging has been allowed by Water Resources' under site specific permitting, but there has been difficulty in administering these permits.

DISCUSSION

This withdrawal request has not been generated because of adverse impacts caused by mining operations. The Department(s) of Fish and Game and Water Resources have requested the river be withdrawn from mineral entry to protect

fisheries. Action to permanently withdraw the bed of the South Fork of the Salmon River will preclude mining of any type in the bed below the ordinary high-water mark.

The South Fork of the Salmon River is important habitat for anadromous fish including summer chinook salmon, wild steelhead trout and native salmonids. The river is also important for recreational use and because of its aesthetic value. The state does not stand to lose any income from closure of the river.

Idaho Code section 47-702(2) requires the board to publish within thirty (30) days of the decision for such withdrawal, a notice providing the legal description of the lands withdrawn in a newspaper of general circulation in the county or counties in which such state lands are situated. Concerned citizens have thirty (30) days from the date of publication to request an appeal of such withdrawal to the board.

RECOMMENDATION

Permanently withdraw the bed of the South Fork of the Salmon River from any mineral activity regulated by the State of Idaho, from the mouth through Township 20 North, Range 6 East, B.M.

BOARD ACTION

APPROVED Dept. to work with USFS to effect protection of the entire bed beyond the segment owned by the state.

APR 21 1992

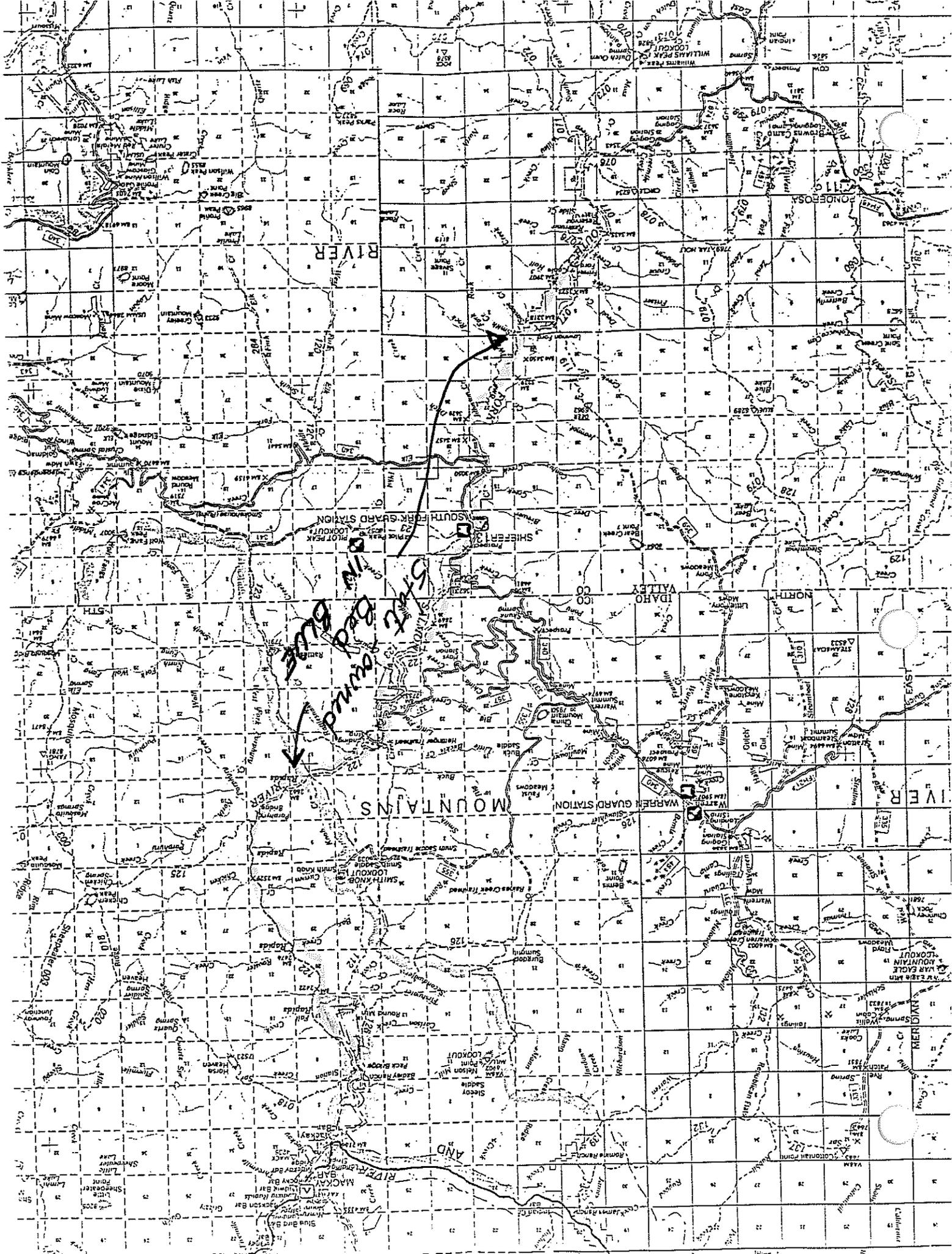
ATTACHMENTS

- 1) Map of the South Fork of the Salmon River.
- 2) Letter of Request from the Idaho Department of Fish and Game
- 3) Letter of Request from the Idaho Department of Water Resources

TRM:sjb



STATE BOARD OF LAND COMMISSIONERS
SUBJECT: Withdrawal of S.F. Salmon River
Page II



5400
Snake River
Teton Mountains
Warren Guard Station

STATE BOARD OF LAND COMMISSIONERS

June 14, 2004

SUBJECT

Adoption of Fee Schedule for Reclamation Fund

BACKGROUND

In March 2003 the Board directed the Department to enter the rulemaking process and establish rules regarding an operator's participation in the reclamation fund. The rules were adopted as final rules by the legislature during the 2004 legislative session. Under the requirements of Rule 026.01, "The Board shall adopt a payment schedule which will be used to determine the annual Reclamation Fund payment for each mineral lease, reclamation plan, placer permit, or temporary permit required to participate in the Reclamation Fund. Any changes to the payment structure must be reviewed and approved by the Board."

After formal adoption of the rules, the Department reviewed the previous Board actions to ensure that the fee schedule had been adopted by the Board, as required by the rules. We found that although the Board directed the Department to enter the rule making process using the recommended fee schedule, the Board did not specifically adopt the fee schedule.

The Department has been advised that the fee schedule (Attachment 1) should be adopted by the Board. The attached fee schedule reflects the Department's review and analysis of traditional bond costs and industry recommendations.

DISCUSSION

The Department's mineral staff worked with the mining industry over the past two years to develop the code, administrative rules, and the current fee schedule, which were presented to the Board. The Department worked on the fee schedule and draft rules for seven months. The Department worked with industry to create a policy that fulfills the responsibilities of the Department and is responsive to the needs of the mining industry.

The Department's coordination with industry included:

1. Drafting an initial fee schedule and policy (draft rules), with input from key industry representatives.
2. Sending a summary of the fee schedule and draft rules to over 600 mineral lessees and mine operators that would be affected by the alternative form of financial assurance. Recipients were asked to review and comment on the proposed fees and draft rules.
3. Scheduling nine open houses from Sandpoint to Idaho Falls.
4. Evaluating comments and amending the fee schedule and draft rules to address industry concerns.
5. Amending the draft rules and fee schedule to address industry comments.

6. Sending the amended fee schedule and final draft rules out to industry for final review and comment.

RECOMMENDATION

Adopt the attached fee schedule, as required under the Administrative Rules Governing the Reclamation Bond Fund (20.03.03)

BOARD ACTION

APPROVED JUN 14 2004



ATTACHMENTS

Fee Schedule

ATTACHMENT

Annual Fee Schedule for Reclamation Fund Based on Each Mine's Total Disturbed Acres

| | |
|-------------------------------|-------|
| >40 acres, no participation * | |
| >35 to 40 acres | \$550 |
| >30 to 35 acres | \$500 |
| >25 to 30 acres | \$450 |
| >20 to 25 acres | \$400 |
| >15 to 20 acres | \$350 |
| >10 to 15 acres | \$300 |
| >5 to 10 acres | \$250 |
| >2 to 5 acres | \$200 |
| 2 acres or less | \$100 |

*Traditional forms of bonding would be required.

The annual fee for **State Mineral Leases** will be \$100 and is in addition to the fee for the reclamation plan or placer permit.

The number of disturbed acres includes current disturbed acreage and acreage that will be disturbed prior to the next billing.

A late fee of \$25 or 1% of the amount due, whichever is greater, will be assessed for the first late month. An additional charge of 1% of the total amount due will be assessed each following month.

STATE BOARD OF LAND COMMISSIONERS

November 20, 2018

Regular Agenda

Subject

Reclamation Bond Assurance Fund Recommended Minimum Balance

Background

Pursuant to Idaho's Surface Mining Act (SMA), Idaho Code, Title 47, Chapter 15, all mining operations in the state of Idaho are required to obtain bonding to cover the reclamation acts as defined by the SMA. Historically this was accomplished by obtaining a traditional bond in the form of a surety bond, cash, certificate of deposit, or a bank letter of credit. However, in the early 2000's, after a period of significant bankruptcies in the mining industry, it became difficult for small mine operators to obtain such bonding. As a result, in 2002, the state created Idaho's Reclamation Bond Assurance Fund (Bond Assurance Fund) under Idaho Code, Title 47, Chapter 18.

The Bond Assurance Fund essentially acts as a self-insurance program for the state to provide affordable bonding to small businesses and mining operations while covering the requirements of the SMA. Participation requires a yearly payment by the operator into the fund. The payment amount is based on the acreage of disturbance at the mining operation. The Idaho Department of Lands (Department) administers the Bond Assurance Fund under the Minerals Regulatory Program.

Discussion

In 2011, the Department contracted an actuarial analysis of the Bond Assurance Fund and the minimum fund balance was then set at just over \$1.4 million. The Department currently has a fund balance of almost \$2 million. Recent increases in operator participation, anticipated defaults, and an increase in the costs associated with reclamation justified the Department's decision to conduct a fund actuarial analysis during 2018. The Department contracted with Willis Towers Watson to conduct the analysis and evaluate the current recommended minimum balance. The objectives of the 2018 analysis were to review the previous 2011 analysis, consider what would be a reasonable minimum balance based on current participation by operators, and determine a potential change to the minimum and maximum balances of the fund.

Results of the 2018 actuarial analysis are shown in the table below. The analysis presents three scenarios of potential liability, representing both the frequency and the severity of claims, to illustrate a range of possibilities. In addition, three confidence levels of 75 percent, 90 percent, and 95 percent were analyzed to determine the potential for annual losses exceeding the respective amounts of the three scenarios.

Self-insurance programs generally maintain a surplus at the high-end, between the 90 percent to 95 percent confidence levels, to reduce the risk of overdrawing the program fund. The prior minimum balance was set at the 90 percent confidence interval.

| Scenarios | Frequency and Severity | | |
|---------------------|------------------------|-------------|--------------------|
| | Low | Medium | High |
| Average Annual Loss | \$209,177 | \$ 445,226 | \$ 693,266 |
| 75% Confidence | \$309,000 | \$ 672,000 | \$1,031,000 |
| 90% Confidence | \$545,100 | \$1,135,200 | \$1,682,200 |
| 95% Confidence | \$703,100 | \$1,453,300 | \$2,199,200 |

Recommendation

To ensure an adequate balance is maintained within the Bond Assurance Fund, the Department recommends that the Land Board adopt a recommended minimum balance of \$1,682,200.

Board Action

A motion was made by Attorney General Wasden that the Board adopt the recommended minimum balance of \$1,682,200. Controller Woolf seconded the motion. The motion carried on a vote of 5-0.

Attachments

1. 2018 Status of Bond Assurance Fund



2018 Status of Bond Assurance Fund

| Bond Assurance Fund Participants | | | | |
|----------------------------------|--|--------|--|-------|
| | Reclamation Plans (IDAPA 20.03.02.069) | | Dredge and Placer Permits (IDAPA 20.03.01) | |
| | Plans | Acres | Permits | Acres |
| Bond Assurance Fund | 620 | 31,815 | 8 | 241 |

| Bond Assurance Fund 2018 Revenue | | | |
|----------------------------------|-----------------|------------|-----------------------|
| Disturbance (ACRES) | Annual Fee (\$) | Total | Total Annual Fee (\$) |
| Mineral Leases | \$100 | 88 | \$8,800 |
| 2 acres or less | \$100 | 191 | \$19,100 |
| > 2 acres ≤ 5 acres | \$200 | 184 | \$36,800 |
| > 5 acres ≤ 10 acres | \$250 | 135 | \$33,750 |
| > 10 acres ≤ 15 acres | \$300 | 64 | \$19,200 |
| > 15 acres ≤ 20 acres | \$350 | 30 | \$10,500 |
| > 20 acres ≤ 25 acres | \$400 | 15 | \$6,000 |
| > 25 acres ≤ 30 acres | \$450 | 20 | \$9,000 |
| > 30 acres ≤ 35 acres | \$500 | 8 | \$4,000 |
| > 35 acres ≤ 40 acres | \$550 | 8 | \$4,400 |
| TOTAL | | 743 | \$151,550 |

STATE BOARD OF LAND COMMISSIONERS

May 19, 2020
Regular Agenda

Subject

Bond Assurance Fund Participation Policy

Question Presented

Shall the Board adopt a policy of an actual allowable disturbance of 40 acres and an actual allowable cost of \$220,000 for participation in the Bond Assurance Fund, and a minimum \$5,500 per acre reclamation cost to opt out of the Bond Assurance Fund?

Background

IDAPA 20.03.03, Rules Governing Administration of the Reclamation Fund, implements a state bond pool for mining operations as authorized by Title 47, Chapter 18, Idaho Code. The Bond Assurance Fund essentially acts as a self-insurance program for the state to provide affordable bonding to small mining operations. Participation requires a yearly payment by the operator into the fund. The payment amount is based on the acreage of disturbance at the mining operation. The Idaho Department of Lands (Department) administers the Bond Assurance Fund under the Minerals Regulatory Program.

Changes in 2020 to IDAPA 20.03.03 removed mandatory participation in this type of financial assurance for many of the smaller mining operations. This allows mining operators more flexibility in how they provide financial assurance. Additional rule changes raised the fixed limits on participation from 40 acres of disturbance or a \$100,000 reclamation cost limit per operator to 80 acres of disturbance or a \$440,000 reclamation cost. Within these fixed limits, the rule directs the Land Board to set the actual allowable disturbance and reclamation costs as well as the minimum dollar per disturbed acre needed to opt out of the Bond Assurance Fund.

Discussion

The Department contracted with Willis Towers Watson in 2018 to update the actuarial analysis of the Bond Assurance Fund. One purpose of the analysis was to revisit the reasonable minimum balance of the Bond Assurance Fund within the parameters of a maximum of 40 disturbed acres and an average reclamation cost of \$5,500 per acre. In November 2018 the Land Board approved a new reasonable minimum balance of approximately \$1.6 million in the Bond Assurance Fund based on that analysis.

The actuarial analysis also evaluated several scenarios in which the allowable disturbed acres were increased from 40 acres to 50, 60, 80, and 100 acres. Results of this analysis are shown in the table below. The analysis used only the high frequency and severity scenario in

keeping with the reasonable minimum balance, and the three confidence levels of 75%, 90%, and 95%.

| Estimated Annual Losses at High Claim Frequency and Severity | | | | |
|---|--------------------------------------|---------------------|---------------------|----------------------|
| | Disturbed Acreage Eligibility | | | |
| | <50 Acres | <60 Acres | <80 Acres | <100 Acres |
| Average Annual Loss | \$1,105,549 | \$1,232,391 | \$1,299,485 | \$1,411,996 |
| 75% Confidence | \$1,645,250 | \$1,798,000 | \$1,196,250 | \$2,058,000 |
| 90% Confidence | \$2,832,400 | \$3,235,100 | \$3,356,000 | \$3,692,600 |
| 95% Confidence | \$3,588,300 | \$4,128,700 | \$4,349,500 | \$4,861,350 |

The Bond Assurance Fund currently has approximately \$2.3 million. As a result, the Department recommends keeping the actual allowable disturbance at 40 acres. Recent reclamation projects and reclamation cost estimates indicate that most mines covered by the Bond Assurance Fund will have reclamation costs of approximately \$5,500 per acre. For 40 disturbed acres, this calculates to an actual allowable reclamation cost of \$220,000.

The Department has received several requests to increase the number of disturbed acres allowed, but the fund balance does not currently support an increase. When the Bond Assurance Fund gets to a balance of \$2.8 million, participation could be increased up to 50 acres through a subsequent Board action.

Recommendation

Adopt a policy of an actual allowable disturbance of 40 acres and an actual allowable cost of \$220,000 for participation in the Bond Assurance Fund, and a minimum \$5,500 per acre reclamation cost to opt out of the Bond Assurance Fund.

Board Action

A motion was made by Attorney General Wasden that the Board adopt the Department recommendation that is adopt a policy of an actual allowable disturbance of 40 acres and an actual allowable cost of \$220,000 for participation in the Bond Assurance Fund, and a minimum of \$5,500 per acre reclamation cost to opt out of the Bond Assurance Fund. Controller Woolf seconded the motion. The motion carried on a vote of 5-0.

