



US Army Corps  
of Engineers  
Alaska District

# Public Notice of Application for Permit

FAIRBANKS FIELD OFFICE  
Regulatory Division (1145)  
CEPOA-RD  
2175 University Avenue, Suite 201E  
Fairbanks, Alaska 99709-4927

<b>PUBLIC NOTICE DATE:</b>	<b>July 13, 2020</b>
<b>EXPIRATION DATE:</b>	<b>August 12, 2020</b>
<b>REFERENCE NUMBER:</b>	<b>POA-2017-00528</b>
<b>WATERWAY:</b>	<b>Otter Creek</b>

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Interested parties are hereby notified that a Department of the Army (DA) permit application has been received for work in waters of the United States (U.S.) as described below and shown on the enclosed project drawings.

All comments regarding this Public Notice (PN) should be sent to the address noted above. If you desire to submit your comments by email, you should send it to the Project Manager's email as listed below or to [regpagemaster@usace.army.mil](mailto:regpagemaster@usace.army.mil). All comments should include the PN reference number listed above.

All comments should reach this office no later than the expiration date of this PN to become part of the record and be considered in the decision. Please contact Laurel Gale at (907) 458-1601, or by email at: [Laurel.A.Gale@usace.army.mil](mailto:Laurel.A.Gale@usace.army.mil) if further information is desired concerning this notice.

**APPLICANT:** Mr. Doug Baker, P.O. Box 874812, Wasilla, Alaska 99687

**LOCATION:** The project site is located within Section 21 T. 11 S., R. 33 W., Kateel Meridian; USGS Quad Map Nome C-1; Latitude 64.5205° N., Longitude 165.2915° W.; located along Beam Road, approximately 3.5 miles from Nome, Alaska.

**PURPOSE:** The applicant's stated purpose is to produce commercial quantities of precious metals from alluvial deposits on patented land.

**PROPOSED WORK:** The applicant proposes to recover precious metals from alluvial deposits in previously mined ground and in unmined wetlands on patented mining claims owned by Aurquest Alaska, Incorporated. The project is located along Otter Creek near Nome, Alaska.

Proposed work includes the phased placer mining of approximately 17 acres of historically mined uplands (mined 1903-1911), and the mechanized land clearing of approximately 60 acres of Palustrine Emergent Persistent Saturated/Scrub-Shrub Broad-Leaved Deciduous Saturated wetlands (PEM1/SS1B). Additional work includes the construction of two settling ponds (sized 80 feet wide x 80 feet long x 1.5 feet deep and 450 feet long x 150 feet wide x 8 feet deep). Plans also include the construction of an approximately 2,000 linear feet x 11 feet wide x 2 feet deep with a floodplain of approximately 32 feet wide permanent stream relocation of Otter Creek. The stream relocation will act to stabilize the stream and to reconnect it to the natural floodplain which was ditched during the 1904 gold rush.

Exploration: The applicant conducted the permitted exploration of the area from late October until November 8, 2019, during frozen soil conditions. Additional work included the construction of a permanent private access drive located within the upland area abutting Beam Road located on top of previously existing placer tailings (1903-1911). Work also included the initial construction of an approximately one acre excavated pit located within the upland area of the project site.

Phase 1 Mine Plan: The plans describe Phase I as consisting of approximately 26.6 acres. Upland work includes the construction of two excavation pits, sized approximately 2.8 acres and 4.6 acres, and the mechanized land clearing of approximately 19.2 acres of PEM1/SS1B wetlands. Plans includes the construction of an approximately 6.7 acres overburden stockpile area, an approximately 2.0 acre recycle pond, an approximately 5.0 acre staging and gravel stockpile area, and an approximately 4.4 acre soil stockpile area. The pits would be made by making one to two acre cuts. Organic soils and overburden would be separated and stockpiled. Cuts would be concurrently backfilled to near natural slope and grade with silt and gravel overburden. Once the mining phase is complete the area would be covered with the organic soil overburden and re-vegetated. The estimated discharge of silt and gravel overburden is approximately 400,000 cubic yards (CY), pay gravels is estimated as 100,000 CY, and soil overburden is approximately 22,000 CY.

Phase 2 Mine Plan: Phase 2 is will not be initiated until Phase 1 is completed or economically viable. The plans describe Phase 2 as consisting of approximately 28.7 acres of PEM1/SSB wetlands. The submitted work plans describe this phase as being divided into East and West Pits. Mining of the East Pit is described as the mining of one to two acre rectangular cuts which will be concurrently mined and backfilled. The settling and recycle ponds will be relocated to the northwest area of the East Pit boundary during the mining process. Upon completion and partial backfill of the East Pit, the construction of an approximately 2,000 linear feet X 11 feet wide x 2 feet deep stream relocation of Otter Creek will be required to move the creek to the west center side of the valley, placing the stream back to its original location prior to the gold rush era ditching. The stream would be reconnected with an approximately 32 feet wide floodplain. Next, the West Pit would be mined and concurrently backfilled in the same fashion as previously described as the mining method conducted for the East Pit work. One to two acre rectangular cuts would be excavated and mined then backfilled before moving to another cut. The discharge for Phase 2 is estimated at approximately 1,600,000 CY of organic top soils and silt/gravel overburden, and approximately 370,000 CY of pay gravels.

Phase 3 Mine Plan: Phase 3 will not be initiated until Phase 2 is complete and economically viable. This phase is described as the final phase of the mining project. Phase 3 consists of the mechanical land clearing and placer mining to approximately 19.9 acres of PEM1/SSB wetlands. The mining sequence would be the same placer mining sequence described in Phases 1 and 2. This phase consists of two pits. The first pit sized approximately 11.5 acres, and the second sized approximately 8.4 acres in size. One to two acres cuts will be made. The cuts will be concurrently backfilled with gravel/silt overburden to near natural slope and grade, covered with the organic soil overburden and re-vegetated. The estimated discharge for Phase 3 is approximately 1,600,000 CY of organic soil overburden and silt and gravel overburden, and approximately 260,000 CY of pay gravel.

APPLICANT PROPOSED MITIGATION: The applicant proposes the following mitigation measures to avoid, minimize, and compensate for impacts to waters of the U.S. from activities involving discharges of dredged or fill material.

a. Avoidance: the access road to the project site is pre-existing, and will avoid further damage which would occur by the creation of a roadway. Bulk sampling of the site was completed in 2019, to provide an accurate picture of gold quantities within the cuts. Additionally, the applicant states long cuts which host uneconomic gold quantities will not be stripped and mined, also acting to avoid unnecessary impacts. Fuel storage will be kept in an upland location and purchased offsite if needed. The overburden from the stripped areas will be stockpiled, and utilized to backfill, contour, and re-vegetate the disturbed land during the reclamation process. All sluice water will be captured in holding ponds and will be 100% recycled. The disturbed land area will be re-vegetated with naturally occurring plant species to prevent permanent loss of habitat and erosion.

b. Minimization: The overburden will be removed and stockpiled in areas in such a way the piles are easily accessible and will not cause additional runoff or erosion to the surrounding wetlands. Otter Creek was ditched during the gold rush era and is currently prone to erosion. The creek will be relocated back within its original location and reconnected to the floodplain. This will act to stabilize the creek and minimize sediment from erosion traveling downstream. The applicant will utilize mobile placer mining, which acts to wash the rich alluvial deposits and leaves tailings and mined gravel in place. Additionally, the process acts to minimize impacts by leaving the mined gravels at their natural gradient, slope, and depth, further minimizing impacts. During reclamation, the mined land will then be backfilled over the tailings and mined gravel with the stockpiled overburden, leveled, and then contoured as closely as possible to natural aspects.

c. Compensatory Mitigation: The applicant has not proposed any compensatory mitigation at this time.

WATER QUALITY CERTIFICATION: A permit for the described work will not be issued until a certification or waiver of certification, as required under Section 401 of the Clean Water Act (Public Law 95-217), has been received from the Alaska Department of Environmental Conservation.

CULTURAL RESOURCES: The latest published version of the Alaska Heritage Resources Survey (AHRs) has been consulted for the presence or absence of historic properties, including those listed in or eligible for inclusion in the National Register of Historic Places. There are no cultural resources in the permit area or within the vicinity of the permit area. The permit area has been determined to be those areas comprising waters of the U.S. that will be directly affected by the proposed work. Consultation of the AHRs constitutes the extent of cultural resource investigations by the Corps of Engineers (Corps) at this time, and we are otherwise unaware of the presence of such resources. The Corps has made a No Historic Properties Affected (No Effect) determination for the proposed project. This application is being coordinated with the State Historic Preservation Office (SHPO). Any comments SHPO may have concerning presently unknown archeological or historic data that may be lost or destroyed by work under the requested permit will be considered in our final assessment of the described work. The Corps is requesting the SHPO's concurrence with this determination.

ENDANGERED SPECIES: *Ursus maritimus* (Polar Bear).

We are currently gathering information regarding this species and have yet to make a determination of effect. Should we find that the described activity may affect the species listed above, we will follow the appropriate consultation procedures under section 7 of the Endangered Species Act of 1973 (87 Stat. 844). Any comments the U.S. Fish and Wildlife Service or the National Marine Fisheries Service (NMFS) may have concerning endangered or threatened wildlife or plants or their critical habitat will be considered in our final assessment of the described work.

ESSENTIAL FISH HABITAT: The Magnuson-Stevens Fishery Conservation and Management Act, as amended by the Sustainable Fisheries Act of 1996, requires all Federal agencies to consult with the NMFS on all actions, or proposed actions, permitted, funded, or undertaken by the agency, that may adversely affect Essential Fish Habitat (EFH).

No EFH species are known to use the project area.

We have determined the described activity would not adversely affect EFH in the project area.

TRIBAL CONSULTATION: The Alaska District fully supports tribal self-governance and government-to-government relations between Federally recognized Tribes and the Federal government. Tribes with protected rights or resources that could be significantly affected by a proposed Federal action (e.g., a permit decision) have the right to consult with the Alaska District on a government-to-government basis. Views of each Tribe regarding protected rights and resources will be accorded due consideration in this process. This PN serves as notification to the Tribes within the area potentially affected by the proposed work and invites their participation in the Federal decision-making process regarding the protected Tribal right or resource. Consultation may be initiated by the affected Tribe upon written request to the District Commander during the public comment period.

PUBLIC HEARING: Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider this application. Requests for public hearings shall state, with particularity, reasons for holding a public hearing.

**EVALUATION:** The decision whether to issue a permit will be based on an evaluation of the probable impacts, including cumulative impacts of the proposed activity and its intended use on the public interest. Evaluation of the probable impacts, which the proposed activity may have on the public interest, requires a careful weighing of all the factors that become relevant in each particular case. The benefits, which reasonably may be expected to accrue from the proposal, must be balanced against its reasonably foreseeable detriments. The outcome of the general balancing process would determine whether to authorize a proposal, and if so, the conditions under which it will be allowed to occur. The decision should reflect the national concern for both protection and utilization of important resources. All factors, which may be relevant to the proposal, must be considered including the cumulative effects thereof. Among those are conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people. For activities involving 404 discharges, a permit will be denied if the discharge that would be authorized by such permit would not comply with the Environmental Protection Agency's 404(b)(1) guidelines. Subject to the preceding sentence and any other applicable guidelines or criteria (see Sections 320.2 and 320.3), a permit will be granted unless the District Commander determines that it would be contrary to the public interest.

The Corps is soliciting comments from the public; Federal, State, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

**AUTHORITY:** This permit will be issued or denied under the following authority:

(X) Discharge dredged or fill material into waters of the U.S. – Section 404 Clean Water Act (33 U.S.C. 1344). Therefore, our public interest review will consider the guidelines set forth under Section 404(b) of the Clean Water Act (40 CFR 230).

Project drawings and a Notice of Application for State Water Quality Certification are enclosed with this Public Notice.

District Commander  
U.S. Army, Corps of Engineers

Enclosures

# STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION  
DIVISION OF WATER  
401 Certification Program  
Non-Point Source Water Pollution Control Program

## **ANCHORAGE**

DEPARTMENT OF ENVIRONMENTAL CONSERVATION  
WQM/401 CERTIFICATION  
555 CORDOVA STREET  
ANCHORAGE, ALASKA 99501-2617  
PHONE: (907) 269-7564/FAX: (907) 334-2415

## **JUNEAU**

DEPARTMENT OF ENVIRONMENTAL CONSERVATION  
WQM/401 CERTIFICATION  
410 WILLOUGHBY AVENUE  
JUNEAU, ALASKA 99801-1795  
PHONE: (907) 465-5321/FAX: (907) 465-5274

## **NOTICE OF APPLICATION FOR STATE WATER QUALITY CERTIFICATION**

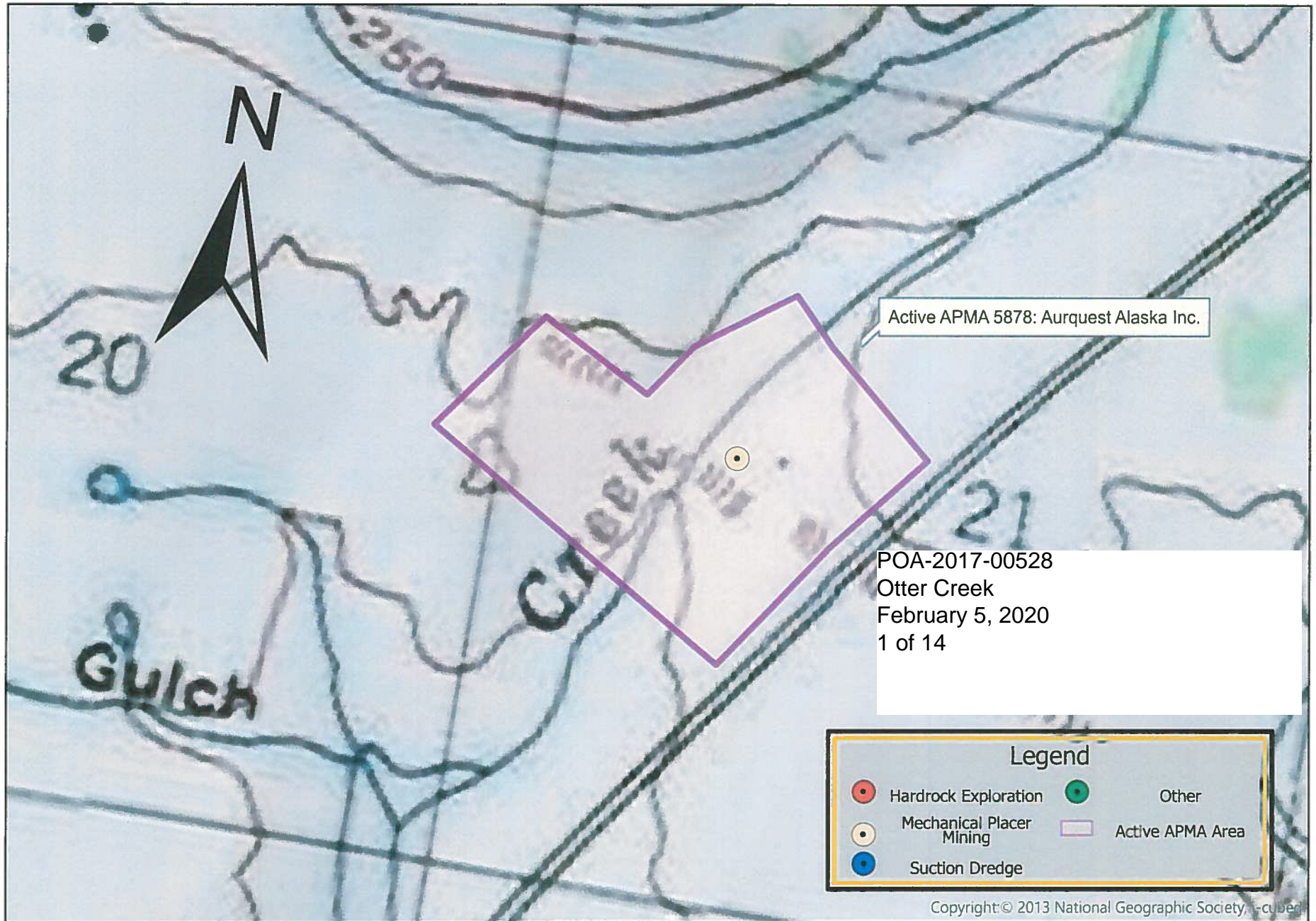
Any applicant for a federal license or permit to conduct an activity that might result in a discharge into navigable waters, in accordance with Section 401 of the Clean Water Act of 1977 (PL95-217), also must apply for and obtain certification from the Alaska Department of Environmental Conservation that the discharge will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. By agreement between the U.S. Army Corps of Engineers and the Department of Environmental Conservation, application for a Department of the Army permit to discharge dredged or fill material into navigable waters under Section 404 of the Clean Water Act also may serve as application for State Water Quality Certification.

Notice is hereby given that the application for a Department of the Army Permit described in the Corps of Engineers' Public Notice No. **POA-2017-00528, Otter Creek**, serves as application for State Water Quality Certification from the Department of Environmental Conservation.

After reviewing the application, the Department may certify there is reasonable assurance the activity, and any discharge that might result, will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. The Department also may deny or waive certification.

Any person desiring to comment on the project, with respect to Water Quality Certification, may submit written comments to the address above by the expiration date of the Corps of Engineer's Public Notice.

# APMA 5878 Claim Status



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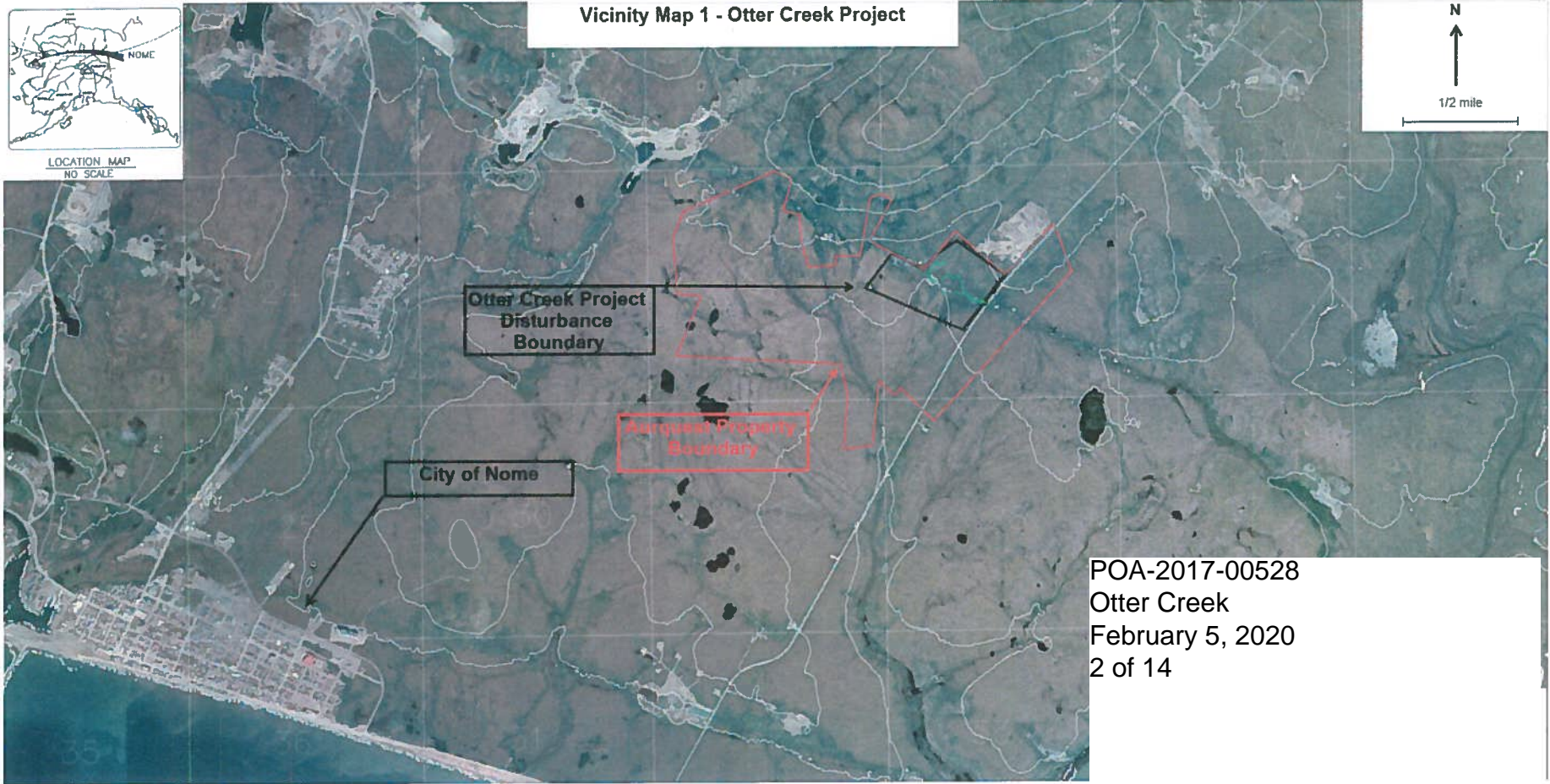
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2/5/2020

Vicinity Map 1 - Otter Creek Project



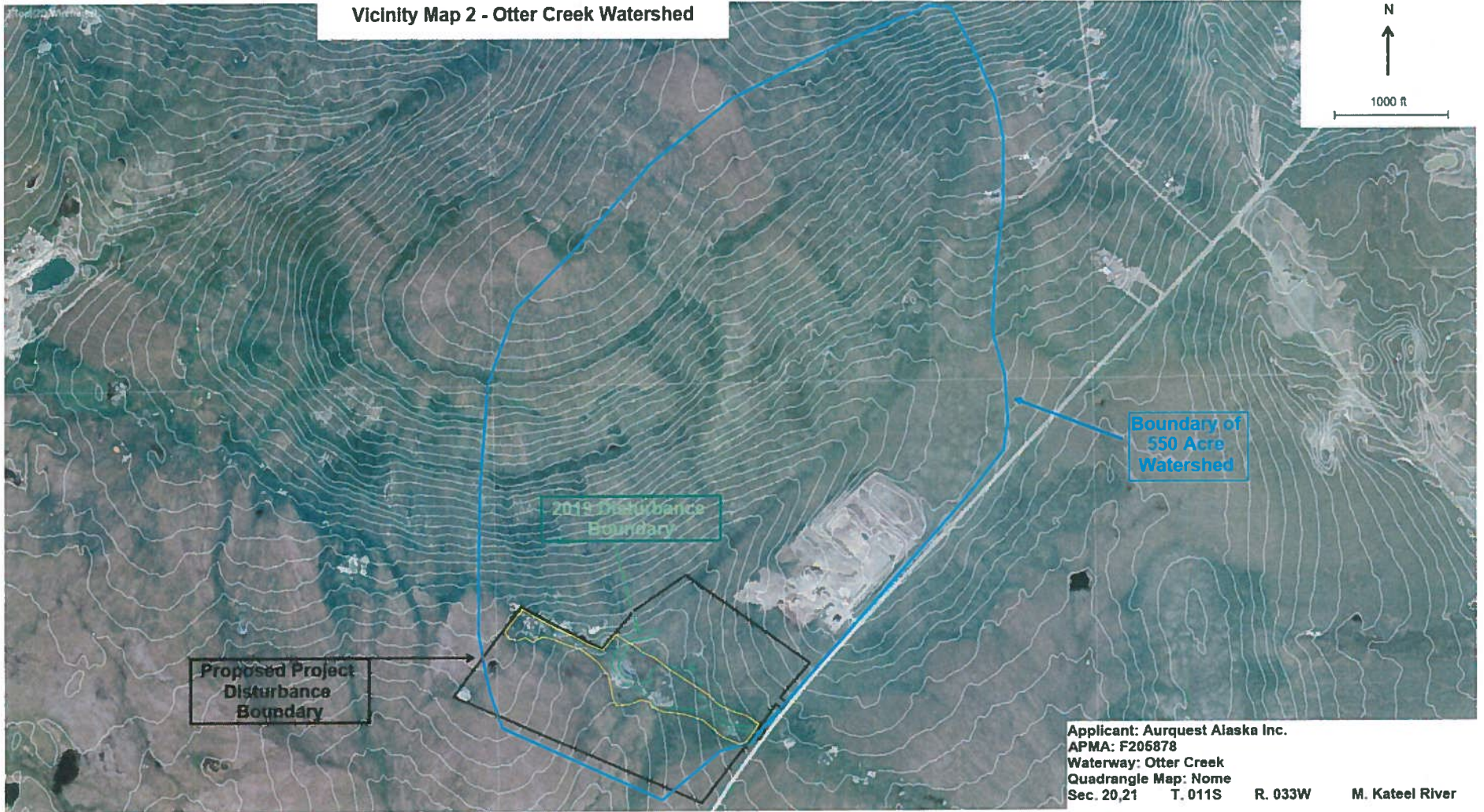
LOCATION MAP  
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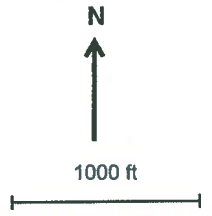
Vicinity Map 2 - Otter Creek Watershed



Applicant: Aurquest Alaska Inc.  
APMA: F205878  
Waterway: Otter Creek  
Quadrangle Map: Nome  
Sec. 20,21 T. 011S R. 033W M. Kateel River

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**Vicinity Map 3 - Proposed Project Boundary  
Showing Recent and Historic Disturbance Areas**



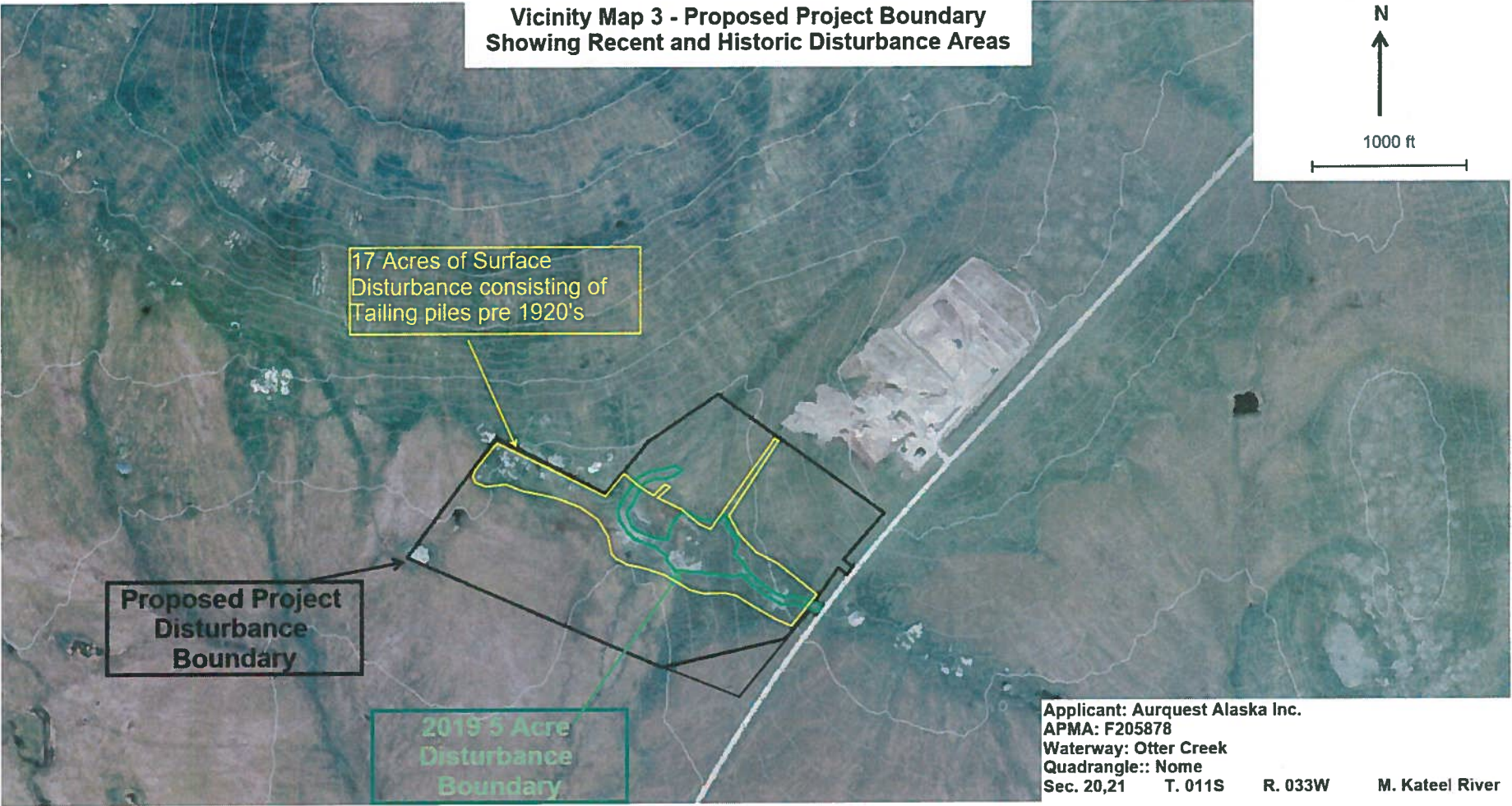
17 Acres of Surface  
Disturbance consisting of  
Tailing piles pre 1920's

Proposed Project  
Disturbance  
Boundary

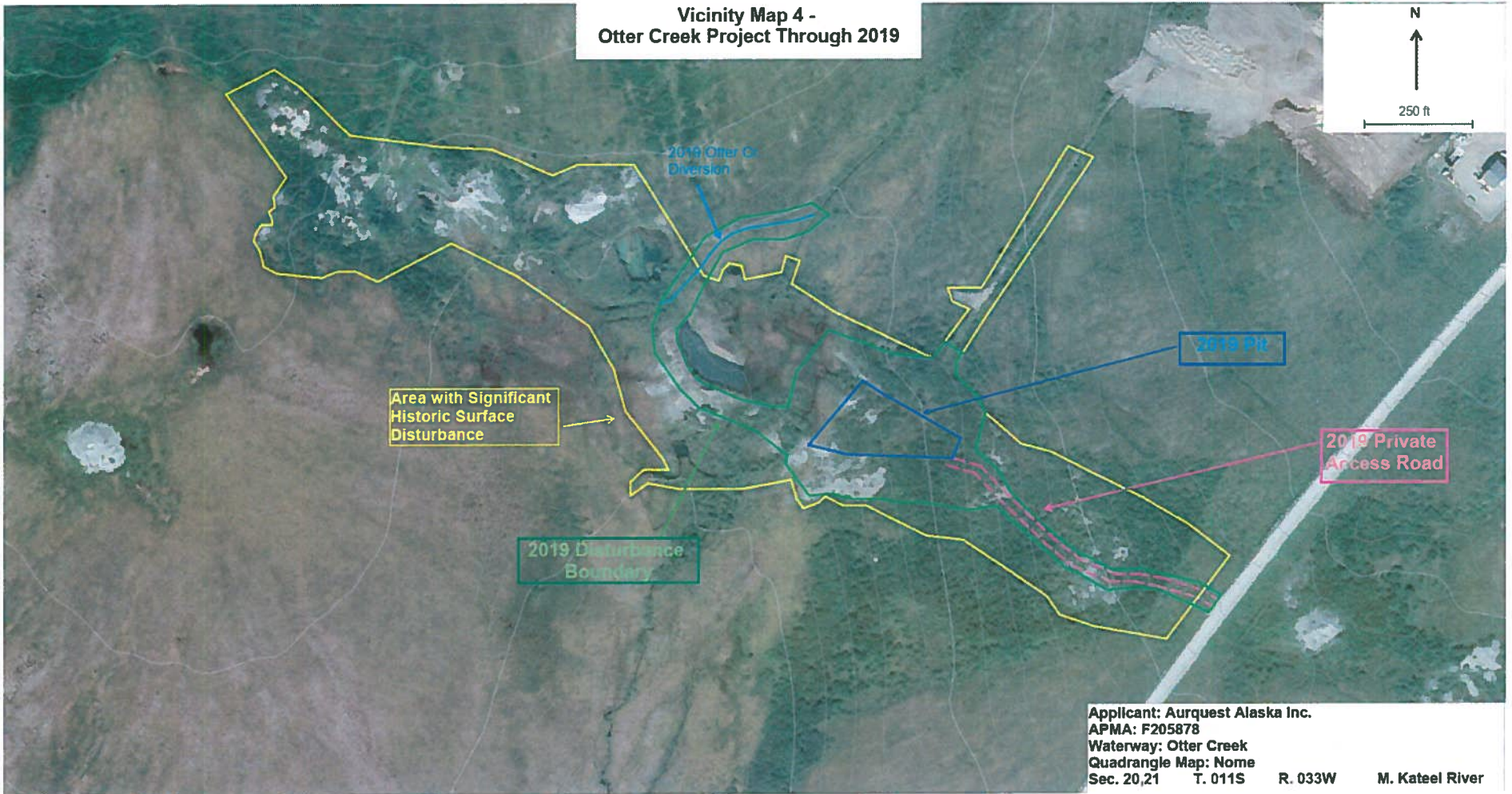
2019 5 Acre  
Disturbance  
Boundary

Applicant: Aurquest Alaska Inc.  
APMA: F205878  
Waterway: Otter Creek  
Quadrangle:: Nome  
Sec. 20,21 T. 011S R. 033W M. Kateel River

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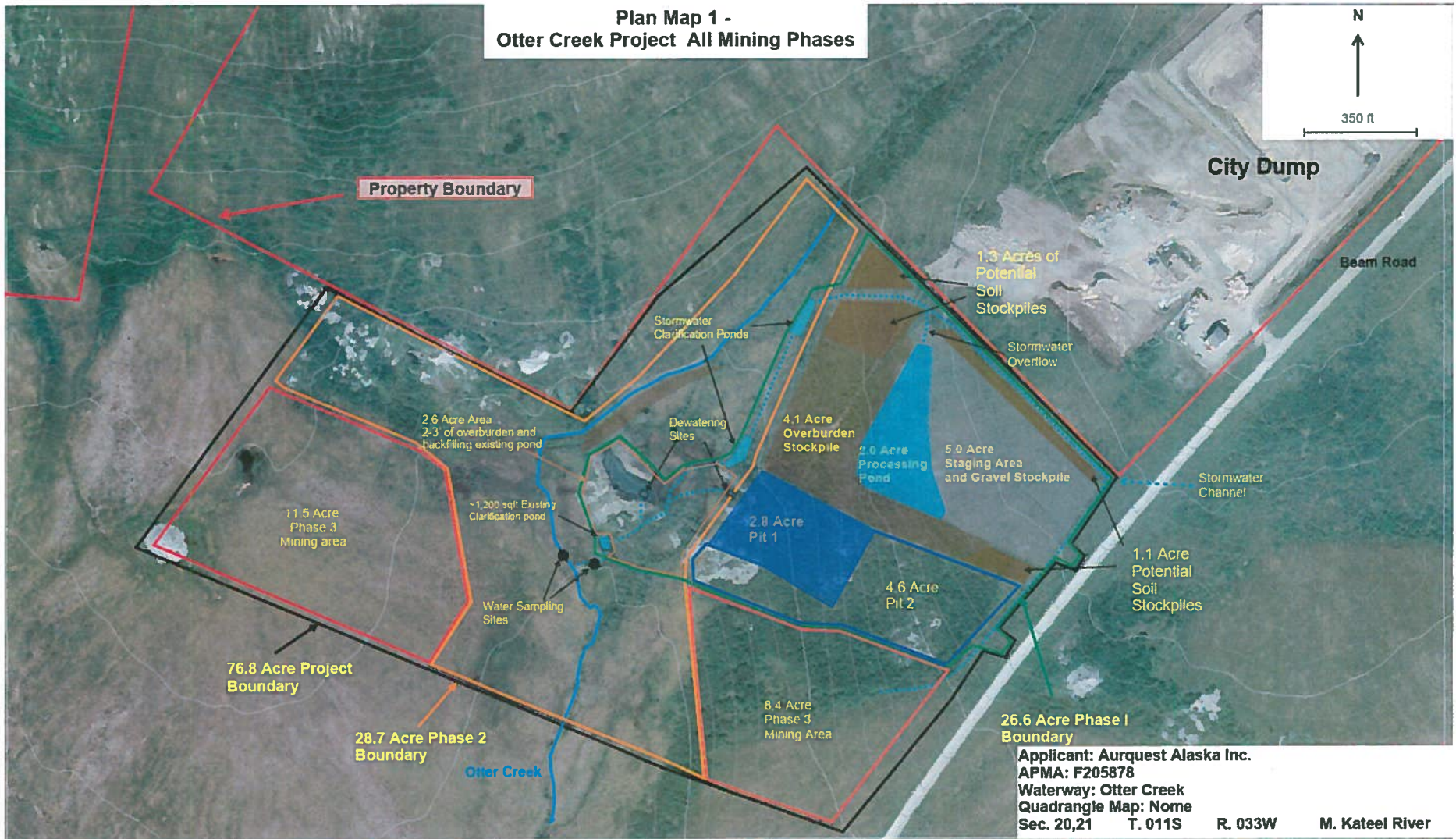


Vicinity Map 4 -  
Otter Creek Project Through 2019



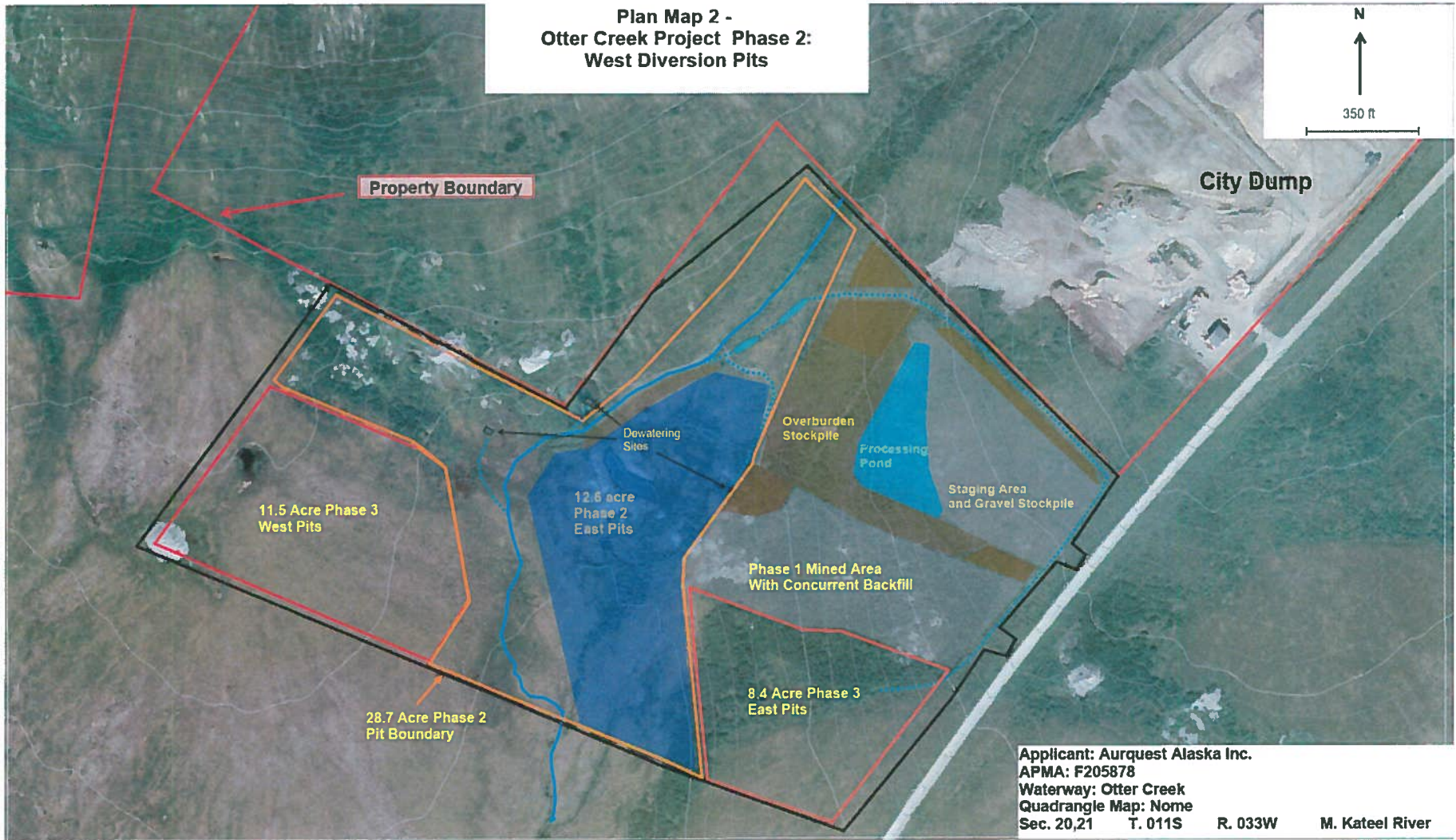
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**Plan Map 1 -  
Otter Creek Project All Mining Phases**



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**Plan Map 2 -  
Otter Creek Project Phase 2:  
West Diversion Pits**

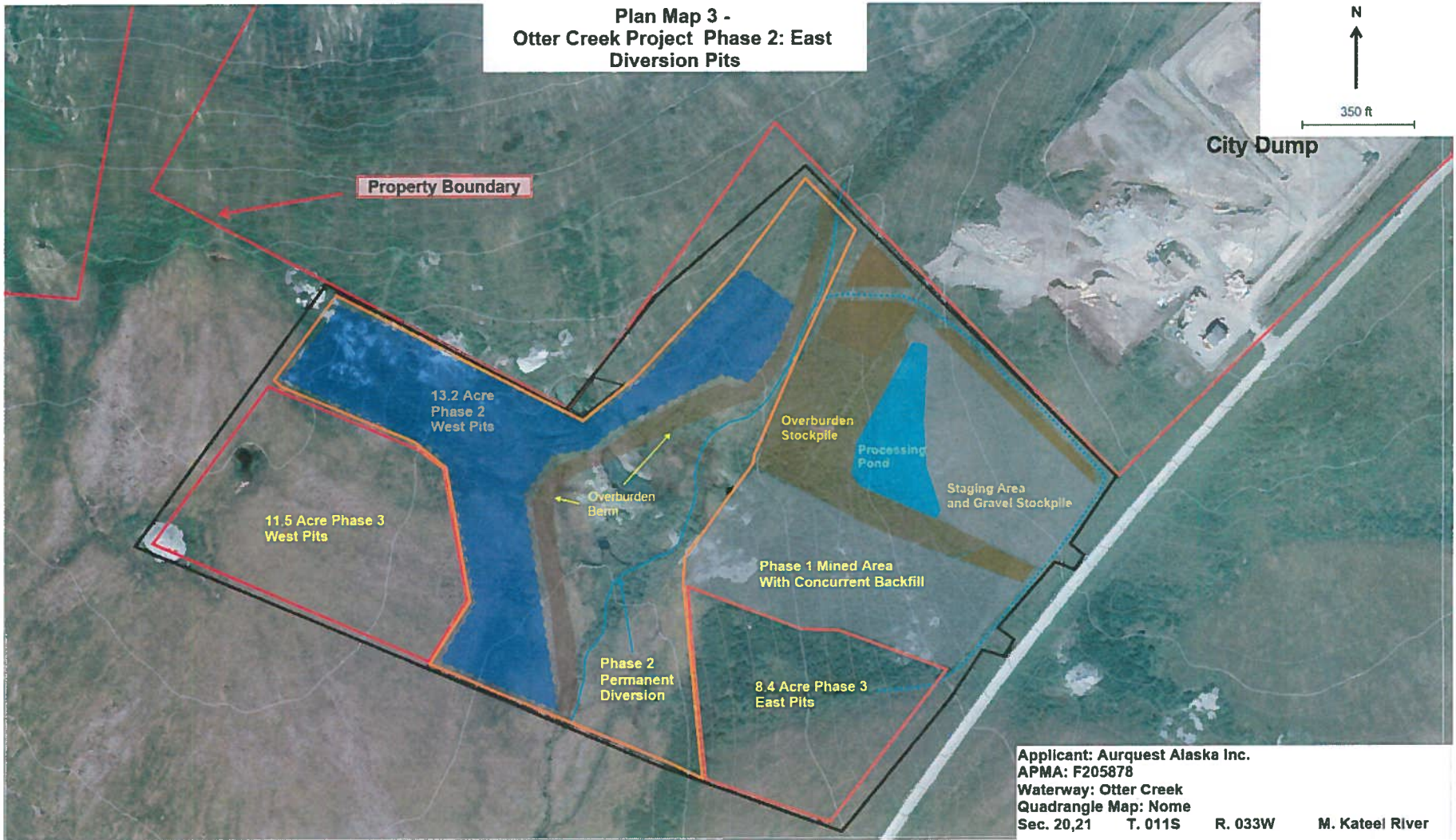


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**Plan Map 3 -  
Otter Creek Project Phase 2: East  
Diversion Pits**



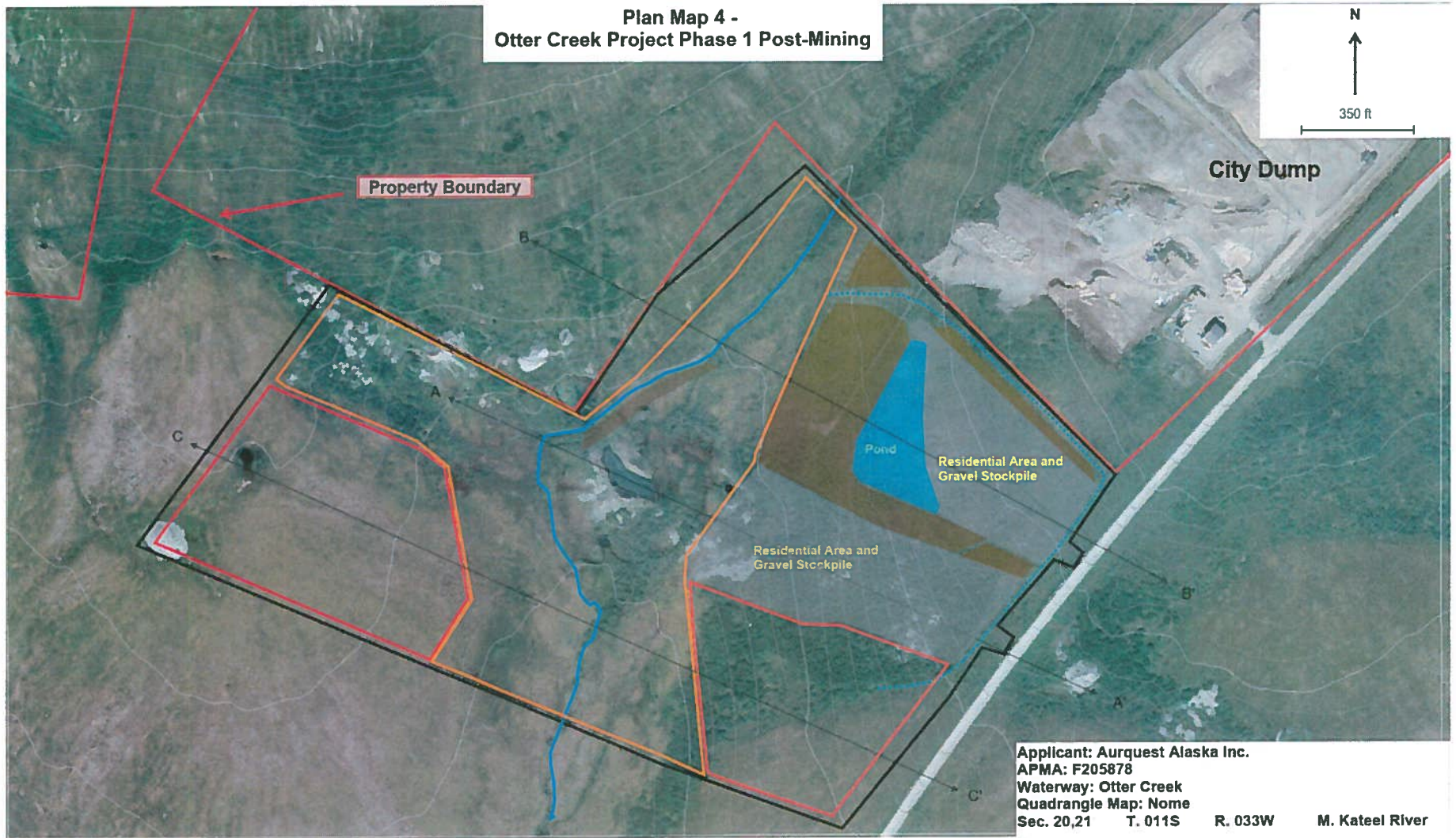
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Applicant: Aurquest Alaska Inc.  
APMA: F205878  
Waterway: Otter Creek  
Quadrangle Map: Nome  
Sec. 20,21 T. 011S R. 033W M. Kateel River

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**Plan Map 4 -  
Otter Creek Project Phase 1 Post-Mining**



Applicant: Aurquest Alaska Inc.  
APMA: F205878  
Waterway: Otter Creek  
Quadrangle Map: Nome  
Sec. 20,21 T. 011S R. 033W M. Kateel River

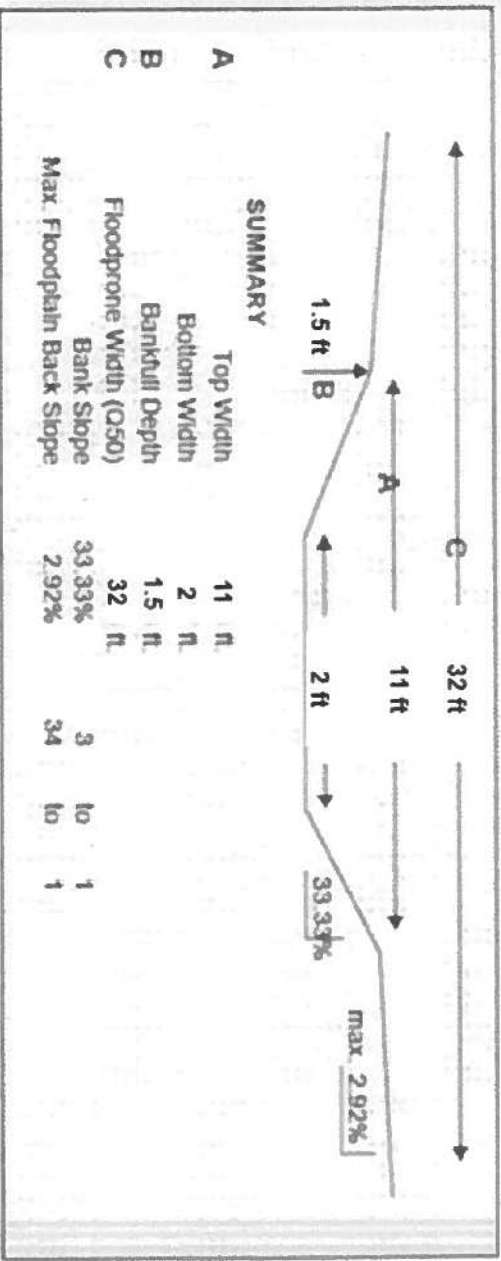
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**Plan Map 5 -  
Otter Creek Project Phase 3 Post-Mining**



Applicant: Aurquest Alaska Inc.  
APMA: F205878  
Waterway: Otter Creek  
Quadrangle Map: Nome  
Sec. 20,21 T. 011S R. 033W M. Kateel River



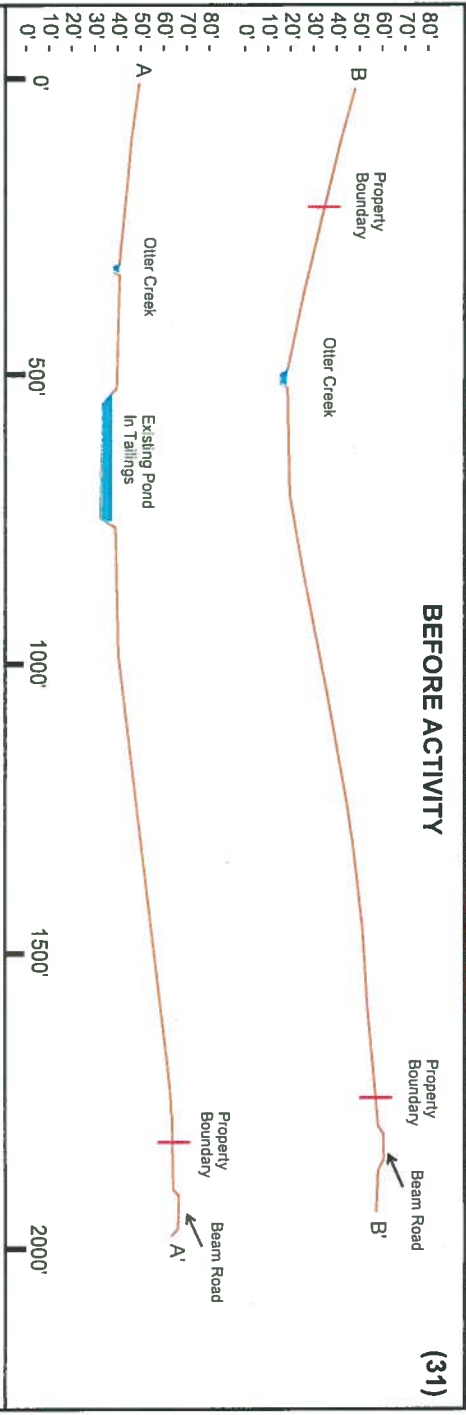


### Otter Creek Phase 1

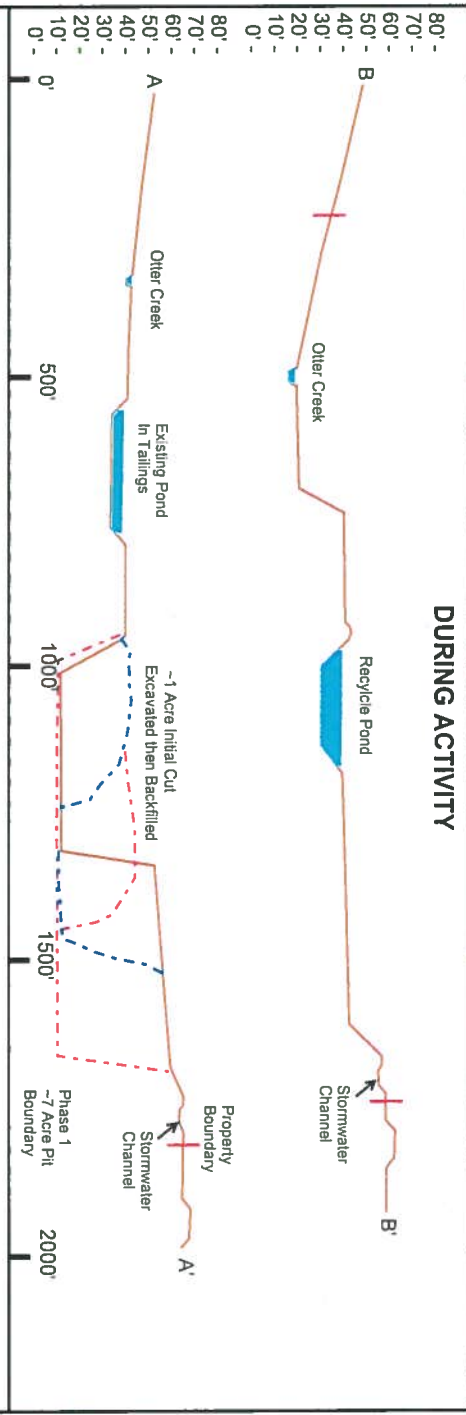
CROSS SECTION SKETCH \*REQUIRED

BEFORE ACTIVITY

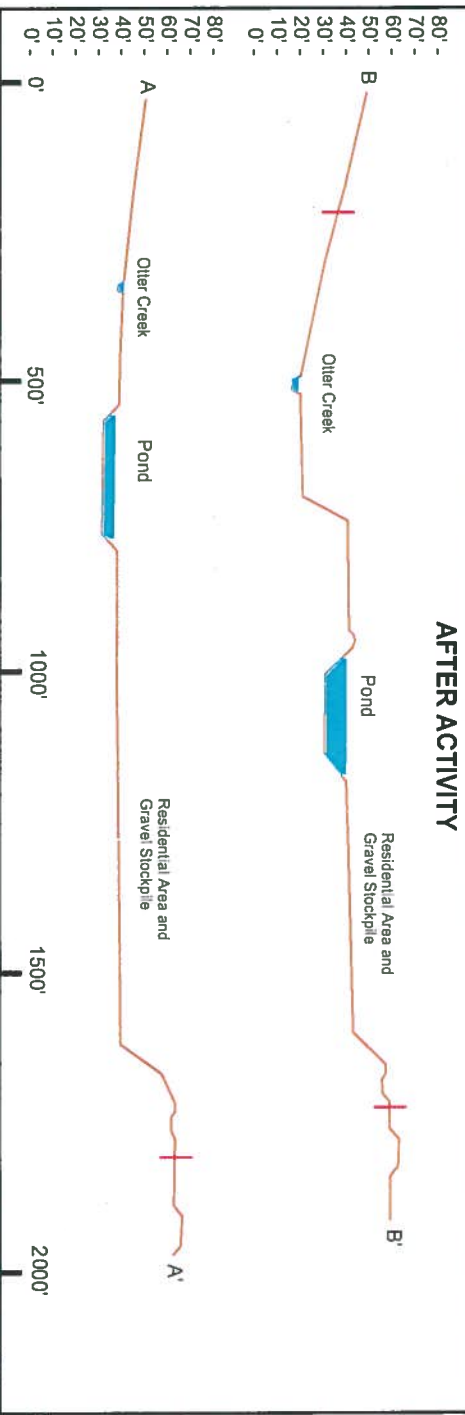
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DURING ACTIVITY



AFTER ACTIVITY

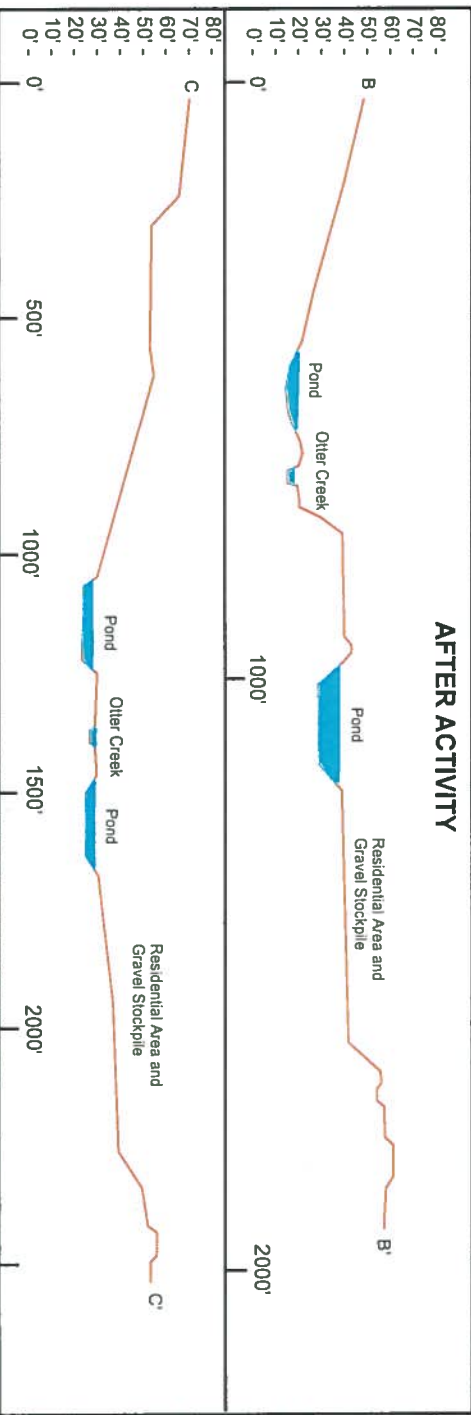
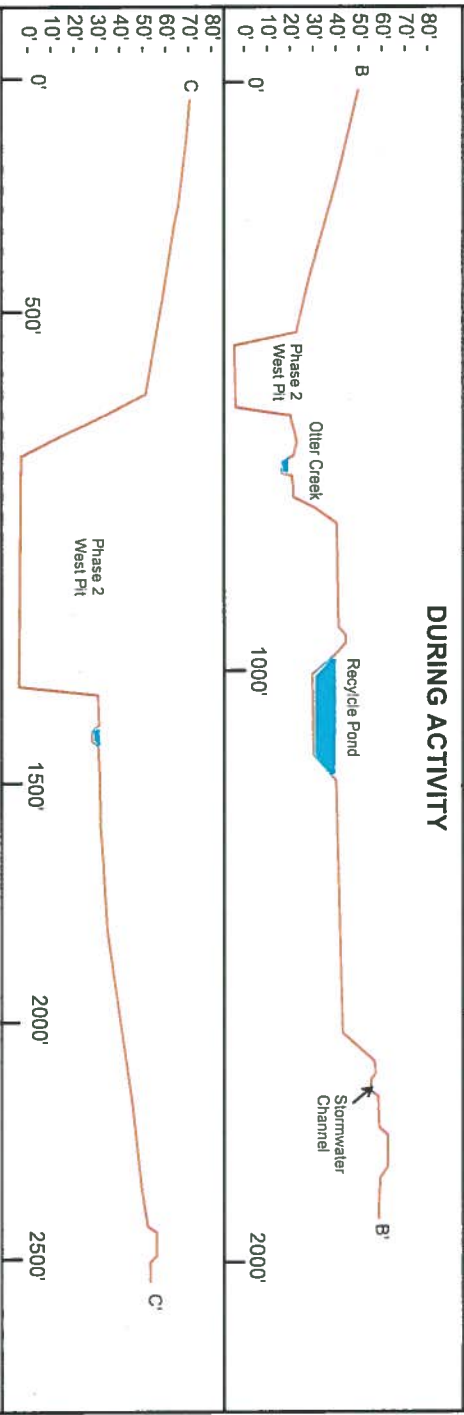
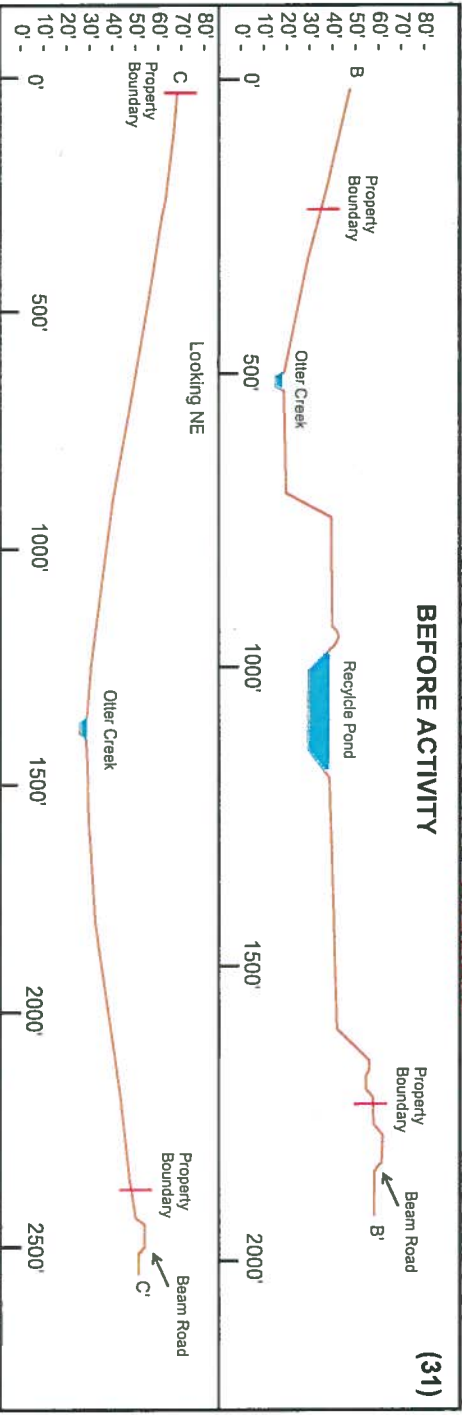


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Note: Vertical Exaggeration all above x-sections = 3.8

### Otter Creek All Phases CROSS SECTION SKETCH **REQUIRED**

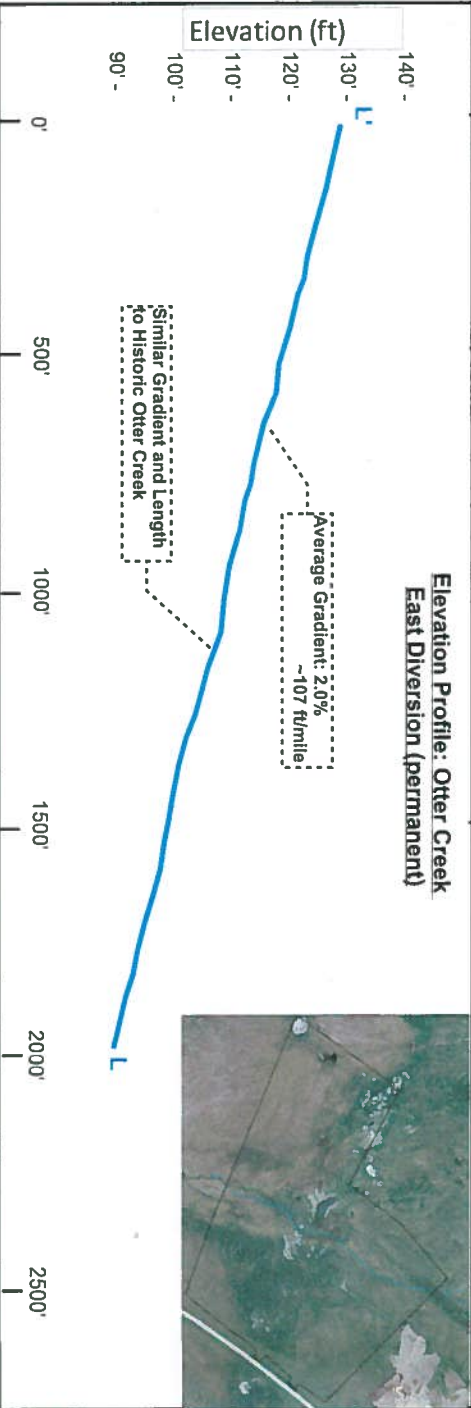
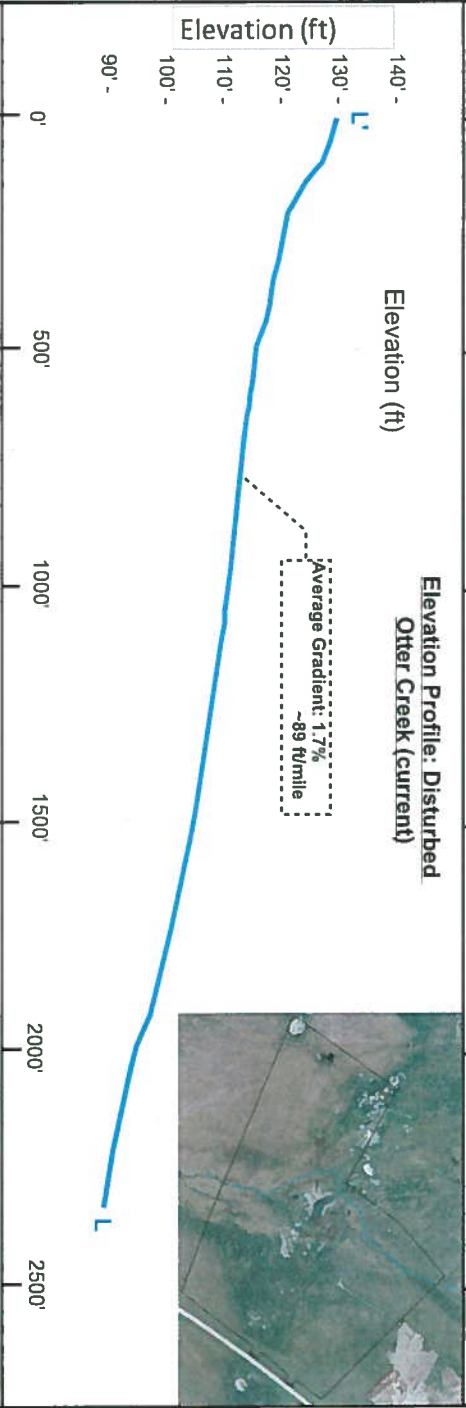
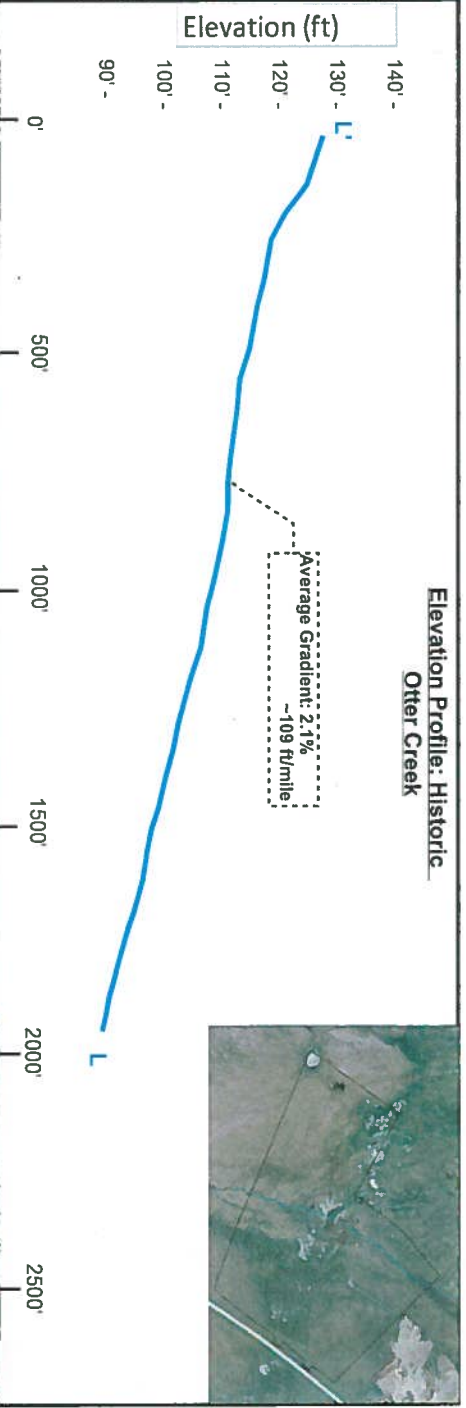
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Note: "B" x-sections - Vertical Exaggeration = 3.8  
Note: "C" x-sections - Vertical Exaggeration = 4.0

# Otter Creek-Longitudinal Section



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Note: Vertical Exaggeration = 12.5