

Testimony of Karen Hauge
House Bill 606
February 14, 2005

EXHIBIT 7
DATE 2.14.05
HB 606

Mr. Chairman and members of the House Natural Resources Committee,

My name is Karen Hauge.

I live on Lower Deer Creek Road east of Big Timber, in House District 60. Representative Jack Ross is my representative.

I live between the Lodestar mine site and the mill site on the Lower Deer Creek Road. The mine's traffic crosses my property when Lodestar is operating.

I am concerned about the cost of the cleanup for the mill site being shifted to the taxpayer because the Department of Environmental Quality can not require a reclamation bond on a miner covered by the small miner exclusion.

The Forest Service has done a great job in determining the bond for reclaiming the Lodestar mine site and that bond is \$425,000. The mine is less surface disturbance than the mill site, which is on private property down the road from me.

At this point there does not seem to be any official reclamation bond for the mill site.

I have some pictures of the mill site to show you the size of the site and the impoundment. I also have a copy of a presentation by the Forest Service on both the Lodestar mine and mill site. I will pass the pictures around for you to see, but then I need the pictures back, as they are my only copies.

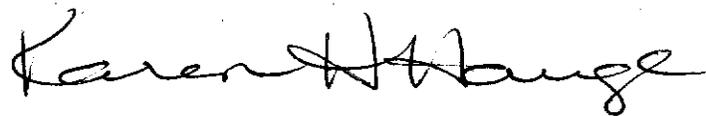
Notice the size of the impoundment wall and its proximity to the coulee, which eventually leads to Lower Deer Creek and then to the Yellowstone River.

With the passage of House Bill 606, the DEQ cannot only require bonding but can recommend how and where these impoundments should be built to prevent damage to water supplies from future small miner impoundments.

Impoundments of this type will need reclamation and it has to be paid for by someone. Right now it is potentially the taxpayer. Small miner or not, the taxpayers should not be left on the line for reclaiming these sites.

I urge you to vote for House Bill 606.

Thank You.

A handwritten signature in black ink that reads "Karen Hauge". The signature is written in a cursive style with a large, sweeping initial "K".