



**ONEIDA COUNTY
PLANNING & ZONING DEPARTMENT**

Courthouse Building
1 South Oneida Avenue, P.O. Box 400
Rhineland, WI 54501
Phone: (715)369-6130
Fax: (715)369-6268
Email: zoning@co.oneida.wi.us

Minocqua Branch Office
415 Menominee Street, P.O. Box 624
Minocqua, WI 54548
Phone: (715)369-6130
Fax: (715)358-3276
Email: zoning@co.oneida.wi.us

Memorandum

To: Planning and Zoning Committee members
From: Karl Jennrich, Zoning Director
Cc: Michael Fugle, Assistant Corporation Counsel II
Date: April 16, 2020
Re: Badger Minerals LLC

Enclosed is a Metallic Mineral Exploration Application submitted by Badger Minerals LLC to do some exploratory drilling in the Town of Schoepke, Oneida County.

On March 3rd Badger Minerals LLC submitted the application and a \$1500 dollar fee. Oneida County regulates exploratory drilling pursuant to 9.61 of the Oneida County Zoning and Shoreland Protection Ordinance, specifically 9.61(H). I have highlighted two provisions which require the Planning and Development Committee to take action.

H Exploration.

1. Permit Required. Exploration is a permitted use subject to review by the Planning & Development Committee that may be allowed in the following zoning districts: District 1-A Forestry; District 8 Manufacturing and Industrial; and District 10 General Use. No person may engage in exploration without securing an exploration permit issued pursuant to this ordinance. A person's application for and acceptance of an exploration permit shall constitute the Exploration Permit holder's binding and irrevocable consent to allow the County to enter any of the Exploration Permit holder's exploration sites in Oneida County at any time for purposes of inspection.
2. Review and Processing of Permit Applications.
 - a. The applicant shall submit an exploration permit application meeting the requirements of this section.
 - b. The application shall be made on an application form provided by the County and shall include all indicated information.
 - c. The form shall be accompanied by a copy of the applicant's complete submittal provided to the DNR to obtain a state exploration license, along with the applicant's written certification that the materials provided are a true, complete and correct copy of the materials submitted to DNR as application for state exploration license as required by Wis. Stat. Ch. 293.
 - d. The application form shall be accompanied by payment of the required fee.

The fee for an exploration permit shall be \$1,500.00 per year for the duration of exploration activities, to be paid annually on or before the anniversary date of the application.

3. Notification Requirements. The holder of any Exploration Permit issued by Oneida County shall notify the County in writing, as required in this section, at least ten days prior to commencement of the earlier of preparing any location to serve as a drilling site or commencement of drilling in Oneida County. The notification required by this section shall include the following:
 - a. Copies of any notices of intent to drill provided to DNR under Wis. Stat. Ch. 293 or any rule promulgated thereunder;
 - b. A list of all local and state permits and approvals in effect to allow the intended exploration to proceed;
 - c. An exploration plan as set forth below, provided that where the information required is duplicative of documents filed with DNR, those material may be provided by cross references:
 - (1) Identity of the owner of land on which any drilling site is located;
 - (2) Certification of legal ingress and egress to and including the lands to be explored;
 - (3) Type and distance of nearest water body, including lakes, streams, floodplains and wetlands, to drilling location;
 - (4) Type of equipment or machinery to be used;
 - (5) Time frame for exploration, drillhole abandonment and reclamation in accordance with applicable permits, approvals and applicable provisions of the Wisconsin Administrative Code.
 - d. A schedule of financial assurances and certification that all such assurances will remain in effect for the duration of exploration from commencement of drilling through completion of drill site reclamation. Applications for an exploration permit shall be accompanied by a certificate of insurance certifying that the applicant has in force a liability insurance policy issued by an insurance company authorized to do business in Wisconsin covering all exploration activities of the applicant and affording personal injury and property damage protection in a total amount deemed adequate by the Planning and Development Committee but no less than \$5,000,000.00;
 - e. A description of intended methods for proper segregation, handling, storage and disposal of all waste materials produced in the process of exploration.
4. Further Notifications. The Exploration Permit holder shall provide the County with copies of any reports and forms pertaining to drillhole abandonment and to drilling site reclamation that are provided to DNR under Wis. Stat. Ch. 293 or any rule promulgated thereunder, within 5 business days of providing any such information to DNR.
5. Approval Standards.
 - a. The exploration activities shall be designed, constructed and operated in accordance with all applicable standards of the DNR, including both statutory and administrative code standards.
 - b. The exploration activities as proposed, including reclamation, are not incompatible with existing land uses.
 - c. The committee shall establish notification and inspection procedures applicable to the various stages of drilling and abandonment and procedures for the proper abandonment of drill holes.

- d. The applicant shall certify that the information contained in its application materials is true and correct.
6. Enforcement. The committee may revoke or suspend an exploration permit issued under this section utilizing the procedures set forth in this chapter for a permit revocation if it determines that:
 - a. Statutes, ordinances, or permit requirements have been violated; or
 - b. Financial assurance of types and amounts pledged have not been obtained or maintained as certified.
7. Penalties. The penalty for violation shall be levied against the permit holder, or the violator if there is no permit, and shall consist of a forfeiture equal to the County's cost of enforcement plus the cost to reclaim any exploration sites, dispose of exploration wastes, and remedy any damage caused by exploration activities, including environmental restoration and natural resource damages.

Staff has reviewed the application for all the requirements of 9.61(H) and is providing the following comments related specifically to the ordinance:

1. 9.61 (H)1 The exploration will be taking place in the Town of Schoepke, Oneida County. The areas where all 10 exploratory holes will be drilled are zoned District #10 General Use. Pursuant to 9.61(H)1, exploration is a permitted use.
2. 9.61 (H)2 The applicant has met the requirements. The form was signed, every box was initialed, \$1500 dollar fee was paid, a copy of the application to the WDNR was included. I have also attached the actual exploration permit issued by WDNR. When the permit is issued, I will be initialing the applicable boxes and placing appropriate conditions.
3. 9.61 (H) 3. Technically this all relates AFTER Oneida County issues the Exploration Permit. The committees involvement only relates to determining if an "Application for an exploration permit shall be accompanied by a certificate of insurance certifying that the applicant has in force a liability insurance policy issued by an insurance company authorized to do business in Wisconsin covering all exploration activities of the applicant and affording personal injury and property damage protection in a total amount deemed adequate by the Planning and Development Committee but no less than \$5,000,000.00."

Staff has researched how much it would cost to reclaim the borings and is providing the following comments:

1. The applicant filed with their Notice of Intent with the WDNR an estimate of the costs to reclaim the actual borehole, the sump and surrounding land that would house the drilling rig. Badger minerals estimated a cost of \$23,480 dollars. The state deemed the costs reasonable and is requiring Badger Minerals to secure a bond in the State's name for a total of \$25,000 dollars.
2. Oneida County Zoning Staff reviewed "Guidance for Estimating Reclamation Costs for Part-3 Minimal Impact Exploration and Minimal Impact Mining and Part 4-Regular Exploration Permit Applications" based on the New Mexico Mining Act from 2013. Staff also reviewed the WDNR website "Recent and potential metallic mining projects in Wisconsin", WDNR correspondence dated January 9, 2012 File REF: Aquila Resources and lastly a document dated January 2012, "Bend Exploration Program, Notice of Intent to Drill: Phase 1. Based on the review of all documents staff believes a total cost to

reclaim the site would be approximately \$60,000.

3. Zoning Staff believes a certificate of insurance of \$5,000,000.00 is adequate and counsel has reviewed the actual certificate and has deemed the certificate in its current form is adequate. Staff would not recommend additional financial assurances.
4. 9.61(H)4 is not applicable to the exploration permit, this happens after.
5. 9.61 (H)5 Approval Standards. Staff will be recommending the same standards be applied as specified in WDNR Administrative Code NR 130:

History: Cr. [Register, January, 1979, No. 277](#), eff. 2-1-79; am. (2), [Register, March, 1985, No. 351](#), eff. 4-1-85; corrections in (1) (a), (b) made under s. [13.92 \(4\) \(b\) 7.](#), Stats., [Register March 2011 No. 663](#).

NR 130.10 Notice procedure.

(1)

- (a) The explorer shall notify the department of the explorer's intent to drill on a parcel by registered mail at least 10 days in advance of the commencement of drilling. Notice shall be considered as given upon the date of receipt by the department of the notice. The notice of intent to drill shall state the number of expected drillholes to be drilled and the legal description of the affected parcel. The 10 day notice of intent to drill on a parcel shall be sent to the Mine Reclamation Section, Department of Natural Resources, P. O. Box 7921, Madison, WI 53707.
- (b) A notice of intent to drill shall remain in effect for one year commencing on the date of receipt by the department of the notice. One year after the receipt of the notice, the explorer shall resubmit a notice of intent to drill on that parcel if the explorer wishes to continue exploration on the parcel.
- (2) The explorer shall notify the department prior to the actual commencement of drilling each drillhole on the parcel. This notice may be oral or written to the department's district office in Rhinelander.
- (3) The explorer shall give the department at least 24 hours advance notice of the explorer's intent to fill a drillhole. The 24-hour requirement may be reduced by the department. This notice may be oral or written and to the department's district office in Rhinelander.

Note: The address and telephone number of the department's district office in Rhinelander are: Department of Natural Resources
North Central District Headquarters
107 Sutliff
P.O. Box 818
Rhinelander, WI 54501
Telephone: (715) 362-7616

History: Cr. [Register, January, 1979, No. 277](#), eff. 2-1-79; renun. (1) to be (1) (a), cr. (1) (b), am. (2) and (3), [Register, March, 1985, No. 351](#), eff. 4-1-85.

NR 130.11 Reports.

- (1) Within 10 days after completion of temporary or permanent abandonment of a drillhole the explorer shall file exploration abandonment reports with the department on forms supplied by the department. All abandonment reports shall be signed by an authorized representative of the explorer attesting to the accuracy of the information contained therein.
- (2) All abandonment reports shall be submitted to the department's district office in Rhinelander.
- (3) Following permanent abandonment of the drillhole, and revegetation and regrading of the drilling site, the explorer shall notify the department of completion of

termination of each drilling site. This notification shall be made in writing and sent to the department's district office in Rhinelander.

- (4) The department shall notify the explorer in writing of the satisfactory or unsatisfactory completion of termination. If termination is unsatisfactory, the department shall inform the explorer of all necessary corrective measures. Following implementation of corrective measures, the explorer shall file written notice with the department's district office in Rhinelander specifying what measures were taken and stating that termination is complete. Failure of the explorer to comply with the department's corrective measures may result in license revocation or suspension in accordance with s. [NR 130.08](#). Upon satisfactory completion of termination of a drilling site, the department shall issue a certificate of completion. No temporarily abandoned drilling site may receive a certificate of completion until permanently abandoned in accordance with the provisions of this chapter.

Note: The address and telephone number of the department's district office in Rhinelander are: Department of Natural Resources
North Central District Headquarters
107 Sutliff
P.O. Box 818
Rhinelander, WI 54501
Telephone: (715) 362-7616

History: Cr. [Register, January, 1979, No. 277](#), eff. 2-1-79; am. (1) and (4), renum. (2) and (3) to be (3) and (2) and am., [Register, March, 1985, No. 351](#), eff. 4-1-85.

NR 130.12 Inspections.

- (1) Any duly authorized officer, employee or representative of the department may enter and inspect any property, premises or place on or at which any exploration is being performed at any reasonable time for the purpose of ascertaining the state of compliance with this chapter and ch. [293](#), Stats.
- (2) No explorer may refuse entry or access to any authorized representative of the department who requests entry for purposes of inspection and who presents appropriate credentials.
- (3) No person may obstruct, hamper or interfere with any such inspection.

History: Cr. [Register, January, 1979, No. 277](#), eff. 2-1-79; correction in (1) made under s. [13.92 \(4\) \(b\) 7.](#), Stats., [Register March 2011 No. 663](#).

6. 9.61(H) 6 and 7 are non-applicable to the issuance of the exploration permit.

The Wisconsin DNR requires a separate Bond relative to reclamation in issuing its Permit for exploration. The WI DNR Bond is in the amount of \$25,000.00.

This is not a request that the Planning and Development Committee to approve the Permit. While the Committee may review the Permit Application (if staff forwards the Permit to the Committee or the Committee requests to review an application), staff does not believe such a referral is necessary relative to an Exploration Permit. The request is only that the Committee: (1) approve the certificate of insurance as specified in 9.61 (H) 3 in the amount of \$5,000,000 (an amount 200 times greater than the Bond required by the State); and, (2) to approve the Department's plan to inspect the exploration site as follows:

An inspection on or before the first day of drilling, an inspection on the last day of drilling, and inspection on the first day a borehole is filled, an inspection on the last day a borehole is filled, one inspection at least thirty (30) days after the last borehole is filled and at least one inspection in any thirty (30) day period.

Thank you. Karl