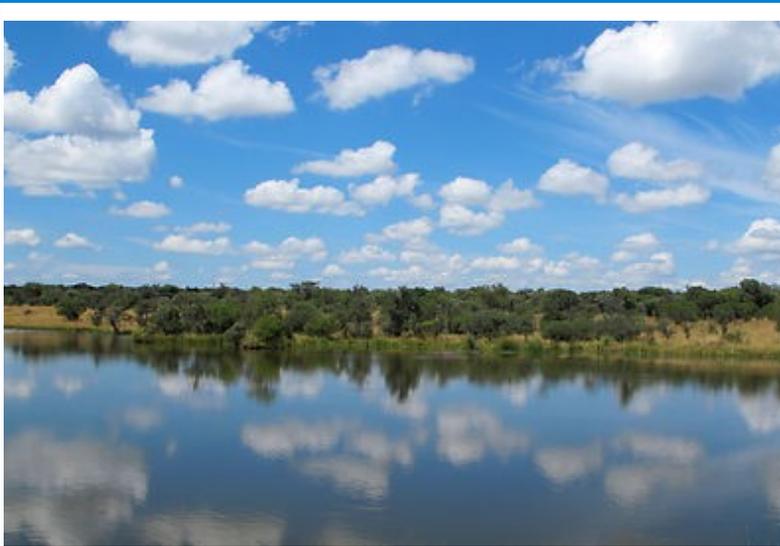


Frac Sand Sentinel

...keeping watch on the industry

Issue 2

September 12, 2012



“He who knows what sweets and virtues are in the ground, the waters, the plants, the heavens, and how to come at these enchantments, is the rich and royal man.”

Ralph Waldo Emerson

NRB LISTENING SESSION
TUESDAY, SEPTEMBER 25th
4:30 to 6:30 pm

Ramada Inn & Convention Center - Grand Hall
205 South Barstow Street
Eau Claire, Wisconsin

Notify the NRB of your intent to speak **by 4 pm on September 21st.**

IF NO SPEAKERS sign up, the listening session will be canceled.

Register to speak:

Call or Email: [Laurie J. Ross](#) 1 - 608 - 267- 7420

Natural Resource Board Liaison
Office of the Secretary

You may speak about **anything** Natural Resources related. Comments are limited to **3 -5 minutes**. **[SEE: Speaking Rules](#)** (especially if you are part of a group!)

Please confine remarks to broad general policy issues rather than the day-to-day operations of the DNR.

NEWS ALERT: September 25 & 26

[Wisconsin Natural Resources Board](#) (NRB) will hold their monthly meeting in the **Eau Claire area**. A **tour** of a New Auburn area Girl Scout Camp, an EOG Resources sand mine and the EOG sand plant is part of their **agenda**. There will also be a **Listening Session**, held in Eau Claire

TOUR SCHEDULE

Tuesday, September 25, 2012

The Natural Resources Board will tour and/or receive presentations at the following locations:

10:50 am : Girl Scout Property, Chippewa Moraine
26950 145th Street, New Auburn, WI

Topics: property history and data; possible development/users

1:15 pm: EOG mine, Cooks Valley
near 135th Avenue and DD

Topics: discussion of mining operations & transportation as well as discussion on environmental & local issues associated with mining activities.

2:15 pm: EOG Resources Sand Plant
County Highway S, Chippewa Falls

Topics: discussion on how frac sand is processed and shipped by rail as well as environmental and local issues associated with sand processing.

"The Wisconsin Natural Resources Board sets policy for the Department of Natural Resources and exercises authority and responsibility in accordance with governing state laws."

Please make the most of this opportunity to address the Natural Resources Board with your concerns about Frac Sand Mining in this state.

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NEWS ROUND UP

Chippewa County: [Superior Silica Ready to Join Self Monitoring Group](#)
Chippewa Herald, 8/31/12, by Rod Stetzer. "We want to be a part of the organization and we will join," said Rick Shearer, CEO and president of Superior Silica Sand, LLC, on Wednesday.".... He said WISA has a mission for businesses in sand mining to do things ethically correct and run their businesses right. "That's what we plan to do day in and day out," Shearer said." Also noted in the article is Superior Silica's plan to expand their 135 acre mine another 334 acres.

From WISA (Wisconsin Industrial Sand Association): [Sand mining done right is an important part of Wisconsin's economy](#) Winona Daily News, 9/8/12, by Rich Budinger (President of WISA). "WISA's members.....have high operating standards, care greatly about environmental, economic and social sustainability, and are committed to **following all local and state regulations. We view regulatory compliance as a starting point, not the endpoint.**" (See Page 5 for more on WISA)

NEW AUBURN: From *The Bottom Line*, 9/7/12, "**Construction Liens**" against Chippewa Sand Company, LLC

The following construction liens were filed in Chippewa County Circuit Court August 20-31:

- USA Tank Sales & Erection Company Inc., filed a construction lien for \$1,225,447 against Chippewa Sand Company LLC, New Auburn, WI.
- USA Tank Sales & Erection Company Inc., filed a construction lien for \$1,657,868 against Chippewa Sand Company LLC, New Auburn, WI.

MENOMONIE: [Sand project dealt setback in Dunn County](#) , Eau Claire Leader Telegram, 9/12/12, by Pamela Powers

- "Dunn County Planning, Resources and Development Committee unanimously recommended against a proposed rezoning between the city of Menomonie and the village of Knapp that would have allowed for a silica sand loading site." The final decision rests with the County Board.

Reasons for Recommendation against the project: **[PAY ATTENTION! These are good reasons!]**

- "not consistent with the county's comprehensive land plan, which calls for the area to remain agricultural"
- "the loss of farmland to public health concerns to increased truck traffic"
- "Vista Sand officials failed to make a strong case that the sand loading site would provide significant economic benefits"

VILLAGE OF CAMERON AND TOWN OF STANLEY: [Cameron School Board seeks 5-mile frac sand ban](#) ,Rice Lake Chronotype, 8/29/12:

- "Board members passed a non-binding resolution opposing frac sand mining or sand processing plant being located within 5 miles of any of the school buildings."
- "At issue was having a frac sand processing plant about 1,500 feet from the schools."
- "Board President Al Breeden said, 'Our role is advisory to the Village Board. We can make a recommendation to the county, too. That's our power.' "

[The project generating concern for the school board is possibly one associated with Randy Spangler and Robert Hemker. This time the name of the company is **Cameron Rail Site, LLC**. Spangler and Hemker have individually and jointly been mentioned as owners or operators of numerous frac sand mining projects throughout MN and WI, including, **GREAT NORTHERN SAND and HIGH COUNTRY SANDS.....continue**

[Developers tell of plans for Cameron frac sand facility](#) , Rice Lake Chronotype, 7/25/12, by Sam Finazzo:

"The Cameron Village Planning Commission listened Monday, July 23 to plans for a frac sand drying and loading facility on a 35-acre parcel in the village.

Randy Spangler of Mondovi, a partner in **Cameron Rail Site LLC** along with Robert Hemker of Winona, Minn., told the commissioners he expects construction would begin this winter or spring after necessary permits are obtained.

The company recently purchased the land, which is bordered on the north by Hwy. 8, on the east by Hwy. 55 and on the west by the railroad line going south out of Cameron. It is located about **1,500 feet south of the Cameron High School.**"

Why do owners of frac sand mining projects create a different company name for all their projects?

WINONA, MN: [Distrust grows of fracking companies](#) The Post-Bulletin (Rochester, MN), 8/29/12, by John Weiss

This article describes a meeting between members of the Minnesota [Land Stewardship Project](#) and Paul van Eijl, land agent for **Superior Sand Systems, Inc.**, of Calgary. (SSS is connected to a mine in Buffalo County and other potential mining projects in MN and WI) The article reports van Eijl saying, "the industry has slowed down in the past several months because of less demand."

- " 'One of the themes that emerged was worries about **a lack of transparency about who owns the companies,**' said Doug Nopar, a land stewardship leader. 'That fuels a lot of doubt,' he said."
- " 'You can't have open communications when no one will **tell the public who the real owners are,**' said Kelley Stange of Houston, who spoke at a short rally before the meeting with van Eijl."

continuing, [Daniel Wilson: Lack of transparency by frac sand companies concerning](#) ,Winona Daily News, 9/11/12

Wilson says,

- "When asked about **who is funding his sand company,** Van Eijil said it was **one man** but that he didn't want his name known."
- "We came to Van Eijil with questions and only left with more. It would seem to us that the frac sand industry prefers to operate in stealth."

[EOG Says U.S. Fracking Rule to Cost \\$1.5 Billion a Year](#) Bloomberg, 9/7/12, by Kasia Klimasinska.

"[EOG Resources Inc. \(EOG\)](#), the top oil producer in a Texas shale formation, and officials from Wyoming and [Utah](#) cite a study by John Dunham and Associates that said it will cost \$253,839 per well to meet the proposal for disclosing chemicals being used and certifying the well is isolated to avoid leaks. The Bureau of Land Management estimated costs at \$11,833 per well." " 'The proposed rule is unnecessary, excessive.....,' Eric Dille, government affairs director for Houston-based EOG, said"

Jay Root comments on the firm used by EOG, John Dunham and Associates, in [The Texas Tribune](#) :

"Company president John Dunham, a former tobacco company economist, ...But interviews, company literature and a visit to the firm's cramped office in Brooklyn suggest the research falls well short of a rigorous or independent economic analysis.....The firm works almost exclusively for lobbyists, industry trade associations and private companies looking for studies that bolster their case for legislation and policy changes they are trying to advance."

EOG Hying Shale Oil Reserves? [Shale Oil Reserves Questioned Too](#) Energy Policy Forum, 9/5/12, Deborah Rogers

TOMAH: [Whose water? Sand mine could still decide to tap into city water](#) , The Tomah Journal, 8/30/12, by Steve Rundio, editor. **Whose water? Looks like Unimin gets decide.**

HAY CREEK TOWNSHIP, MN: [Doubling up on moratoriums](#) , Red Wing Republican Eagle, 8/29/12, Regan Carstensen:

- "In case the Goodhue County Board decides to end its silica sand mining moratorium before its September 2013 expiration date, Hay Creek Township will be safe from any mines moving into its boundaries. "
- "Having two in place at once may seem redundant, but Hay Creek Town Board Chair Arlen Diercks said he thinks **some people don't have a lot of trust in the county commissioners.**"

\$\$\$ TWO OPINIONS AND A STUDY ON THE ECONOMIC IMPACTS OF FRAC SAND MINING \$\$\$

Dunn County: [Sand Doesn't Equal Community Well-Being](#) ,Dunn County News, 9/4/12, By Tom Pearson, cultural anthropologist and faculty member in the social science department at the University of Wisconsin-Stout.

RICE LAKE: [Sand mining adds to economic diversity](#) ,Rice Lake Chronotype editorial, 9/5/12, addressing the Canadian Sand and Proppants sand mine Town of Sumner:

- "There are valid concerns about the environmental impact of the new industry here, but it can also be seen as a new pillar to a diversified economy. "
- "Timber was replaced here by agriculture."

.....AND NOW? Is frac sand mining replacing agriculture? See next study!

BUFFALO COUNTY: [The Economics of Sand Mining in Buffalo County](#) [**This is Excellent. Please Read Full Study**]

By Carl Duley and Steven Deller of UW Extension

Five issues are identified that the County should be aware of as the development of sand mines is considered:

1. *The wages/salaries that are paid are an important determinant of the potential impact on the local economy.*
2. *Non-labor related expenditures of the businesses, such as business-to-business transactions, can be equally important to the economic impacts.*
3. *These scenarios can also be used to examine the impact of alternative uses of resources. For example, if the promotion of mining displaces dairy farms, the positive impact of the mine must be off-set by the negative loss of the agricultural operations. The "net" economic impact is relevant.*
4. *Mining operations have a finite life (limited resource) and the mining operations will eventually cease to exist and the displaced economic activity may have a longer life span. For example, agricultural land taken out of production for mining will take decades to return to productive use.*
5. *Perhaps most important, the ability of the local County economy to capture the economic spillovers (i.e., multiplier effect) appears to be limited for Buffalo County. In essence, the business infrastructure necessary to maximize the economic spillover of mining development appears to be severely limited.*

TELLING OUR STORIES

[“Money makes people blind”: Sand mine proposed near WI’s Tellock’s Hill Woods](#)

August 30, 2012

"I never thought that farmers would sell cropland for a sand mine that has been zoned heavy industrial in some sections of the state. I never thought I'd see people turn a blind eye and deaf ear to their friends, neighbors, and community. These were people that, at one time, would come to their aid if a neighbor were in trouble. They were people who shared their resources and saw themselves as stewards of the land. Money makes people blind and in tough economic times I can understand the temptation. But how can a few people be willing to put their neighbors' health at risk?" - C.P.

Please use the link to read the full editorial at the *Blue Cheddar Blog*....you might identify with many of the same feelings and concerns so well expressed in this piece.

[Tellock's Hill Woods](#) is a State Natural Area, owned by the DNR, 40 miles East of Stevens Point. Read about this state treasure, and ask yourself, "Should sand mine be located next door?"

Excerpts from, Land Stewardship Project, 9/5/12, by Tex Hawkins:

[Silica Sand Mining Fractures Leopold's Land Ethic](#)

What we see across this valley is just the tip of a tsunami. On a recent flight over the Blufflands, from Red Wing down to Dubuque, I saw many white scars — pits evolving into strip mines — connected by freshly constructed roads leading to storage and processing facilities. And beyond that, I could picture in my mind's eye thousands or drilling pads, pipelines and refineries stretching from the Arctic Ocean to the Tar Sands of Canada to the Gulf of Mexico, blighting shorelands and coastal wetlands from East to West, on Great Lakes and major rivers.

I submit to you today that what you see on the far horizon here and across this continent is the creation of energy WASTE, not supply, when we consider hidden costs, as well as creation of profits for a few at the expense of many.

We have read the writings of Aldo Leopold, who said that a thing is right when it tends to preserve (OR SUSTAIN) the integrity, stability and beauty of the biotic community, and it is wrong when it tends otherwise.

Excerpts from another fine piece from the Land Stewardship Project, 8/30/12, this one by Johanna Rupprecht:

[Let's Pull Back the Curtain on Frac Industry](#)

We want to know about the distant corporate connections in this industry, and to pull back the curtain. Which corporations? And who are their local collaborators? And who is providing the financing for this industry to get established, acquire land, put up processing plants, and so on?

We are entrusting the care of this extraordinary landscape that has been here for thousands of years to individuals and corporations that value profit over people. We are entrusting a radical reshaping of our regional economy to an outside industry that hides behind shell companies and front men.

WI Voices.org Telling the Story of Wisconsin—One Voice at a Time (another school story!)

[PREVIEW: Jim Laskin on Frac Sand Mining](#) Full interview to be released soon

http://www.wivoices.org/?subscribe=success#blog_subscription-2

STORY by Sandra Burke

On August 28th, I joined members of the Land Stewardship Project and Winona Area Citizens Concerned about Silica Mining (CASM) on their trip to see the Superior Sand Systems(Calgary, Alberta) operation near Dodge, WI (the Barth mine). A press conference and meeting with a sand mining representative followed the tour.

SUPERIOR SAND SYSTEMS MINING SITE

We visited Marianna Byman's 200 acre farm to learn from her the impact of FRAC sand mining on her property and quality of life and to observe the early stages of the operation which is clearly visible from her land. She and her husband purchased their property in a beautiful valley more than 20 years ago with the intent to retire there. They will not be able to do so. The Bymans want others to know how fast an operation like this can get up and running, how difficult it is to fight it, and once it's started, there is no stopping it.

The Bymans knew nothing about FRAC sand mining until last October at which time they learned that their neighbor applied for and would be entering into an agreement with the Superior Sand Systems Mining Company on his farmland. When they asked him what was going on, they said he told them they were just digging for some sand – no big deal. Despite a public hearing and objections from neighbors, mining started in March on 50 acres (considered a small mining operation). In five months, the top of the highest hill in the valley was stripped of all trees and flattened. The Bymans were told that the flat land could be used for additional farming.

- A three person Buffalo county committee granted approval for the project quickly and unanimously.
- The project would operate 24 hours a day, seven days a week for 10 years. A compromise was reached so that the mine would operate only from 7:00 a.m. to 7:00 p.m. six days a week with no mining on Sundays and that the mining company would notify them prior to blasting.
- The mine is ¼ mile from the Byman's home yet they cannot enjoy sitting outside due to the noise (and vibration?).
- No sand has actually yet been removed from the site; however, trucks are hauling out rocks that cannot be used.
- A day care center nearby closed due to truck traffic.
- County Road P is heavily impacted by the trucking.

PRESS CONFERENCE

A brief press conference took place in Winona following the tour. Representatives of CASM and the Land Stewardship Project expressed that more information about FRAC mining is necessary, that there needs to be more transparency. Speakers included Barb Nelson, a former member of the Winona County Planning Commission who said it's time to ask representatives of the industry hard questions:

- What effect will mining have on our water and air?
- How many trucks will be driving on our roads and bridges?
- What will this new industry mean for public safety and for our public infrastructure budgets?
- What will happen to our farm economy when the price of land goes up and even less land is available for beginning farmers?
- What will happen to our tourism industry? "No one will want to go to Lanesboro if they have to drive through Mars to get there."
- How will this forever change the beauty of our landscape?

She added it is unlikely we will get these answers, adding that this outside industry doesn't even want to tell us where their money is coming from.

Dan Wilson also spoke and stated:

On October 1, the U of MN Duluth is hosting a conference and inviting major industry players to, in effect, explain how to start your own sand mine. Keynote address will be given by VP Research and Development at Conoco Philips, the main sand supplier for Halliburton. He added that the event is sponsored by an environmental consulting group representing Shell.

MEETING WITH REPRESENTATIVE OF SAND MINING INDUSTRY

Paul van Eijl, the Land Acquisition Manager for Superior Sand Systems of Calgary, Alberta is the former Buffalo County Zoning Administrator. He is responsible for finding land to lease for mining for 10 to 20 years ... as close to rail as possible (could include spurs). He explained why the sand here is exceptional and why river sand is unsuitable (too many minerals in river sand and the sand is angular).

Paul stated that **Superior Sand Systems is unique in that the company invented a dry process for FRAC mining that does not require ponds, chemicals or water.** He stated there is no exposed property when they mine. Their brochure states, "Superior Sand Systems places a great deal of value on maintaining the natural landscape of an area ... Before beginning operations, we create a detailed land reclamation plan. This plan involves the sorting of removed clay and topsoil so that after mining is completed, topsoil can be replaced to its original thickness as pre-mining levels. After the soil has been replaced the area will be seeded with pre-mining vegetation."

MEETING ANNOUNCEMENTS

<p>Annual Meeting DNR Nonmetallic Mining Advisory Committee September 20, 10 a.m. in Muskego, WI</p> <p>Muskego Moose Lodge, S86 W21693 Janesville Road (County L) Thomas Portle: 608-267-0877</p>	<p>At the 09/23/2009 meeting of the NMAC (minutes no longer available on-line) The question, "Why do frac sand projects cause such an uproar?" was asked.</p>
<p>Items to be addressed include: a DNR report on the NR 135 reclamation program; discussion of permitting matters related to the increase in mining for industrial sand in the western part of the state; and recent results of periodic performance review audits of entities administering the NR 135 reclamation programs. There will be opportunity for discussion of any items the committee would like to bring to the DNR staff attention as well as an opportunity for public input. After the regular meeting there will be a lunch-time presentation on the reclamation of three near-by mine sites and their post-mining land use. After lunch [there will be] a tour of these three mine sites.</p>	
<p>About: DNR Nonmetallic Mining Advisory Committee</p> <p>"The NMAC has nine members representing economic, scientific and cultural viewpoints that pertain to nonmetallic mining." The committee must have one representative from the non-metallic mining industry, one from road building industry, and one with zoning administration experience."</p> <p>Please use the link to see the Committee members. Who represents the "cultural viewpoints that pertain to nonmetallic mining?" Should there be someone with expertise in public health on this committee?</p>	
<p>Minutes SEPT 2011 Advisory Committee Meeting</p>	<p>Minutes SEPT 2010 Advisory Committee Meeting</p>

WISCONSIN MINING BILL: [CULLEN ANNOUNCES HEARING DATES FOR MINING COMMITTEE](#) meetings.

[WISCONSIN COUNTIES ASSOCIATION MEETING](#) - September 23-25. **FRAC SAND MINING on the Agenda:
MONDAY - An Overview of Frac Sand Mining, TUESDAY - Frac Sand Mining: The Local Perspective**

EDUCATING OURSELVES

Last week's issue included an article ([Bill Berry: Make frac sand mines pay mitigation fees](#) , The Cap Times, August 27, 2012). A reader responded to Berry's suggestion that mitigation fees be collected from frac sand mining companies, as follows:

Background information on mitigation and fees (NR135.39) and financial assurance (NR135.40) already required. How is what Berry suggests not already covered here? SEE: [WDNR NR135.40 Non-Metallic Mining Reclamation](#)

In addition to the permitting fees, CUP fees and renewal fees (5 years for initial, 3 years thereafter), operations are required to pay an annual fee based on the number of acres open...as an incentive to reclaim areas once mining operations move or cease.

OPEN MEETINGS AND OPEN RECORDS RIGHTS

Tape recording and videotaping. The open meetings law grants citizens the right to attend and observe meetings of governmental bodies that are held in open session. The open meetings law also grants citizens the right to tape record or videotape open session meetings, as long as doing so does not disrupt the meeting. The law explicitly states that a governmental body must make a reasonable effort to accommodate anyone who wants to record, film, or photograph an open session meeting, as long as the activity does not interfere with the meeting. Wis. Stat. § 19.90.

WHAT IS A MORATORIUM? Details below from Tom Harnisch's booklet, found at the Wis. Towns Assoc. site (pp. 22-23:

F. COUNTY AND LOCAL MUNICIPAL LAND USE MORATORIUM ORDINANCES

Counties, Cities, Villages and Towns with Village Powers may adopt Land Use

“Moratorium” Ordinances that will serve to limit or negate new land use development (or specific types of development) for a time certain in the County or in the specific Municipality. This includes any proposed Non-Metallic Mining operations and the associated commercial or industrial operations. This “freeze” on land use development (or specific types of development), provides legal land use control protection for the County or Municipality to then allow the timely enactment of regulatory ordinances in the interim time period that will serve to then later regulate these proposed “frozen” uses. When the “Moratorium” Ordinance is once timely and properly adopted and published, it should serve to negate or limit any later legal claim of legal “Vested Rights” by a developer who would normally oppose the new Ordinance and its regulatory requirements. With the newly enacted ordinance or ordinances the proposed land uses will then be legally regulated and controlled where such uses previously would not have been regulated, or previously would not have been regulated to the level of controls that would exist under the new ordinance(s). The legal and political question is the realistic timeline in the Ordinance for which the Moratorium should apply. The usual “freeze” timeline is one (1) year or less with a possible extension of time available in the Moratorium Ordinance for the County or Municipality to continue the development “freeze” upon their respective option.

[From the Crawford Stewardship Project](#)

[Dr Kelvin Rodolfo Sand Mining Presentation](#)

Kelvin Rodolfo is Professor Emeritus with the Department of Earth & Environmental Sciences, University of Illinois at Chicago. His graduate training was in marine geology and “sedimentology” – the study of how sedimentary rocks like limestones and sandstones form.

[Please note that the Nonmetallic Mining Ordinance for townships and villages to consider is now on the Crawford County website.](#)

THE GLOBAL VIEW

New York Times: [Is the Energy Boom a Mirage?](#)

Business Week: [Fracking is Safe Except in Wyoming](#)

[Ideas for Local Reliance](#)

FORBES: [Why America Can Make or Break A New Global Gas World](#)

FORBES: [Why China Will Stop U.S. Energy Independence](#)

OIL PRICE.com : [It's Official: China Embraces Oil Shale and Fracking](#) - By [John Daly](#) Sun, 02 September 2012 00:00

247 Wall Street: [Chinese Firm Files for Approval to Buy Canadian Oil & Gas Company](#) -August 29, 2012 at 2:18 p

Environmental considerations in energy production: <http://www.smenet.org/page/index.cfm?id=1005>

Links to frac sand mining articles:

http://www.youtube.com/watch?feature=player_embedded&v=CcXgWeaeCOU

<http://www.desmogblog.com/sand-land-frac-sand-mining-western-wisconsin-video-report-desmogblog>

<http://www.counterpunch.org/2012/07/12/minnesotas-amish-revolt-against-frac-sand-mining/>

New York Times: [Struggle for Water in Colorado with Rise in Fracking](#)

LATE-Breaking ADDITION: [Frac sand draws crowd to Cameron Village Hall](#), Rice Lake Chronotype, 9/12/12

"Cameron District School superintendent Randal Braun presented the board with the resolution unanimously passed by the Cameron School Board at last month's meeting opposing the sand plant facility on Hwy. SS south of the school. **Braun warned of dire financial consequences to the school and entire village if the proposed sand facility is approved.**"

"The ultimate test of man's conscience may be his willingness to sacrifice something today for future generations whose words of thanks will not be heard."

Gaylord Nelson

Welcome to the Frac Sand Sentinel, a newsletter highlighting resource links, news media accounts, blog posts, correspondence, observations and opinions gathered regarding local actions on, and impacts of, the developing frac sand mining and processing industries.

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