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Coalitions build to again keep mining off beloved peak

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Protests against the plan for a molybdenum mine outside Crested Butte are seen around town last week. One group calls the idea "the major leagues of environmental degradation." (William Woody, Special to The Denver Post)

CRESTED BUTTE — They call the giant basin beneath the 12,392-foot peak of Mount Emmons the Red Lady because the rocky rounge on her face glows at sunrise, casting a pinkish hue that warms this mining village turned resort playground.

It serves as a craggy sentinel where locals ski in winter, drink the snowmelt she catches each spring and bask in her glow in summer.

But more than water, thrills and great views are on this mountain. Deep inside the Red Lady lie 25 million tons of high-grade molybdenum ore and 220 million tons of lower-grade ore.

A plan to mine that moly from the Red Lady's belly has kindled a fierce battle: Should the Gunnison Valley stay true to its mining roots and reap the economic rewards? Or should it embrace its mountainous amenities and the environmental goals prized by the recreational community it has become?

The idea of an around-the-clock mine extracting 6,000 tons of rock a day for at least 10 years in the town's sole watershed has mobilized many of Crested Butte's 1,530 residents.

"This is the major leagues of environmental degradation," said Bob Salter of the High Country Citizens' Alliance, which has fought Red Lady mining before.

Tough to find middle ground

The grassroots environmental group was born 30 years ago to stop a more aggressive plan to extract one of the world's richest caches of moly. The current effort is led by a partnership between U.S. Energy of Riverton, Wyo., and Kobex Resources of Vancouver, British Columbia.

The companies have renamed the mine the Lucky Jack and are proposing a 75 percent smaller footprint than previous mining plans for the Red Lady basin. They promise about 250 jobs and a \$15 million annual payroll plus a boost to property-tax revenues, said Lucky Jack spokesman Perry Anderson, a former Gunnison County commissioner.

That's money Crested Butte needs to lessen its reliance on tourism, said Cheri Moyer, a Gunnison resident who owns a title insurance company. The primary engine in Gunnison County's tourism economy is Crested Butte Mountain Resort, which has seen a 25 percent decline in visitors over the past decade.

"I think our county is really struggling because we have put all our eggs in one basket, saying skiing and tourism will support us forever. But we don't seem to be that good at tourism," said Moyer, who acknowledges her view is rare in Crested Butte.

Kobex and U.S. Energy are still scripting their plan and have yet to apply for a federal mining permit, a process that could take several years. The mining team will ask for a 10-year permit to extract the prime ore. If the moly market stays strong, the companies might apply for another 10-year permit to remove the remaining lower-grade material.

"It is a business, and if there is an opportunity to make a profit, we will move into that lower-grade deposit," Anderson said.

Mining's legacy in the area warrants concern. A water treatment plant below the Lucky Jack costs U.S. Energy a million dollars a year to operate as it filters heavy metals from leaching tailings piles left from previous operations. Less than a mile west, the long-dormant Standard Mine made the Environmental Protection Agency's Superfund list in 2005.

"Mining is not like it used to be. If we do this right, and we will, this could be a mine people will want to come and tour and learn from," Anderson said. "I think the best role for the environmental community right now is to work with us to make this the best mine we can."

Not a chance, said Salter, a scientist enlisted by High Country Citizens' Alliance. "There is not a compromise that is acceptable."

Opponents form battle plan

Today Crested Butte is a mix of mining-era homes ringed by golf-coursed castles. Yet a strong community thrives, with working locals hobnobbing with wealthy newcomers and recreation and environmental duty uniting both groups.

The alliance's battle plan will scrutinize the mine's impact on Crested Butte's water supply. Beyond that are questions about trucks running through town and the proposed tailings pile of mining's residue — with 250-foot retaining dams — at the headwaters of Gunnison's watershed. The goal is not to just stop the Lucky Jack mine but erase all

potential for mining.

"We aren't through until we end this once and for all," Salter said. "We don't want this to come back for another generation."

Meanwhile the Red Lady Coalition, a growing collection of the wealthy and politically connected, wants to amass millions of dollars to buy out U.S. Energy's interest. The coalition's model is found in Telluride, where locals recently raised \$50 million to buy out a developer with plans for the community's pastoral, 550-acre valley floor.

Most important for the Red Lady Coalition is its petition for the Forest Service to expand its environmental analysis beyond the Lucky Jack mine's 10-year operating plan for the high-grade moly ore and look at what would happen if lower-grade deposits were also mined over the next 70 years.

As opposition to the mine builds, mine supporters are leveling charges that residents just don't want a mine in their backyard.

"It's a valid point," said 40-year Crested Butte resident Denis Hall. "But everyone around here cares very deeply for their backyard. Who better to take care of my backyard than me?"