

September 12, 2026

Dan Pliley, District Ranger
West Fork Ranger District
Bitterroot National Forest
6735 West Fork Road
Darby, Montana 59829
Submitted by email: Sheep.Creek.Comments@usda.gov

Re: Project 370721: Sheep Creek Rare Earth Exploration Project, Request for Environmental Assessment

Dear Ranger Pliley:

We are the West Fork Neighbors Alliance. Our members live along West Fork Road, its branches and spurs and within the West Fork watershed. We live here for the quiet rural setting, pristine water, public lands, fish and wildlife and the chance to work, recreate, enjoy the quality of life and raise families here. Our drinking and household water comes from local wells, springs and surface-water diversions. West Fork Road connects our homes to each other, schools, jobs, medical care, markets, commerce and emergency services.

We're writing today with great concern about U.S. Critical Materials Corporation's 2026 Plan of Operations at Sheep Creek. We believe there exists the potential for significant adverse effects to our neighborhood - most worryingly to the air we breathe, the water we use and drink and the land we love and depend on. We detail our concerns below in our technical comments.

We understand the Forest Service is analyzing the Plan under categorical exclusion USDA-32d-USFS, 7 C.F.R. § 1b.4(d)(32). We do not believe a Categorical Exclusion is appropriate here. Even if the work falls within the general category for a short-term mineral investigation, we believe, under 7 C.F.R. § 1b.3(f), that the Forest Service must consider relevant resources in the potentially affected environment and prepare an Environmental Assessment when an extraordinary circumstance creates reasonable uncertainty about whether the degree of an effect is significant.

As we will outline below, the proposed work creates plausible pathways for contamination through sediment, dust, spills, water withdrawal and loss, material placement and transportation. We believe USCM's Plan lacks critical information needed to determine the degree of potential effects. We believe, therefore, that the present record does not support a finding of "no extraordinary circumstance" under 7 C.F.R. § 1b.3(g).

We formed the West Fork Neighbors Alliance in part to share information, bring local knowledge to relevant agencies and speak collectively for protections that no household can secure alone. We submit this cover letter and the technical comments below in reference to U.S. Critical Materials Corporation's 2026 Plan of Operations and ask the Forest Service to take three actions:

- 1. Prepare an Environmental Assessment.** Do not approve the Plan through a categorical exclusion.

2. Provide Public Review. Release a draft Environmental Assessment and all supporting technical materials for public review and comment before issuing a decision.

3. Correct the Project Description. Distinguish direct surface disturbance from the full operational area of potential effects, including work sites, flight routes, the staging parcel, West Fork Road and the haul route, receiving and storage locations, nearby homes and water supplies as well as Sheep Creek and the West Fork downstream.

We sincerely appreciate your reviewing our concerns and we welcome a meeting with the Forest Service to discuss them and the path forward at your convenience.

Sincerely,

The West Fork Neighbors Alliance
director@westforkneighborsalliance.org

Technical Comments on Sheep Creek Rare Earth Exploration Plan

These comments address USCM's August 13, 2026 Plan of Operations (the “Plan”) and the Forest Service's proposed use of a categorical exclusion. We believe these comments identify critical information the agency needs to evaluate the Plan and develop measures needed to protect the air, water, roadways, environment and human health. The Plan’s citations refer to the Plan's printed pages; Appendix G citations refer to the Plan’s appendix's page numbers.

We believe the Forest Service Must Evaluate the Full Operation

The Categorical Exclusion USDA-32d-USFS covers short-term mineral, energy or geophysical investigations and incidental support activities. Its examples include drilling, trenching, use and minor repair of existing roads, limited temporary-road construction and clearing vegetation for investigation or support facilities. Critically, the category does not make the acreage of direct surface disturbance the sole measure of environmental effect. 7 C.F.R. § 1b.4(d)(32).

USCM’s Plan emphasizes less than one acre of direct surface disturbance on National Forest land. However, the project’s operational footprint is much larger than that: the Plan links four work locations, helicopter routes, a private staging parcel on West Fork Road and later haul routes, receiving and storage locations and connected surface water and groundwater systems. The Forest Service should evaluate the full integrated operation as it contemplates the potential effects and revise the Project Description to distinguish direct National Forest surface disturbance from the full operational scope and area of potential effects.

Table 1. Proposed Scale of Operations

Activity	Proposed scale	Activity
Bulk sampling	About 3,000 short tons	Blasting, underground handling, bagging, helicopter transport, staging, and road hauling
Core drilling	45 holes; up to 18,000 feet; about 200 short tons of core	Cuttings, drilling water, lined sumps, helicopter support, and reclamation at three locations
Explosives	Up to 2,000 pounds of ANFO and 500 pounds of emulsion	Blasting dust, handling, fire risk, and emergency response
Water	Up to 8,800 gallons per day	Source, legal authority, recycling, losses, storage, and disposal remain incomplete
Aircraft and hauling	Two seasons of helicopter operations and repeated road hauling	Effects extend along flight paths, West Fork Road, the staging parcel, and later transport routes

Under 7 C.F.R. § 1b.3(f), the Forest Service must consider relevant resources in the potentially affected environment and prepare an Environmental Assessment when an extraordinary circumstance creates reasonable uncertainty about whether the degree of an effect is significant. *We strongly believe the potential for significant adverse effects exists here.* As we will outline below, the proposed work creates plausible pathways for contamination through sediment, dust, spills, water withdrawal and loss, material placement and transportation. USCM’s Plan lacks the information needed to determine the degree of potential effect. We believe, therefore, that the present record does not support a finding of no extraordinary circumstance under 7 C.F.R. § 1b.3(g).

Sheep Creek Rock Ore Contents Must Be Studied & Characterized Before Being Disturbed, Moved or Placed

Blasting and drilling at Sheep Creek will turn mineralized rock into bulk samples, drill cuttings, waste rock and dust. These activities create routes for particles or dissolved constituents to enter the air, water runoff or water seepage.

The degree to which this will occur will depend on mineral content, form, particle size, water chemistry and site conditions. We do not believe USCM's Plan as written to date provides the representative testing data or operational detail needed to evaluate these pathways. The currently available information is limited, but our review identifies cause for serious concern and, we believe, warrants more investigation.

In January 2024, USCM temporarily posted on (and later removed from) its website laboratory results for 164 Sheep Creek rock samples analyzed by Activation Laboratories. The reported concentrations varied widely, with the following maxima: 3,830 parts per million thorium, 611 parts per million uranium, 174 parts per million arsenic and 497 parts per million lead.

Table 2. Maximum Concentrations Reported in 164 USCM Sheep Creek Rock Samples

Constituent	Maximum reported concentration
Thorium	3,830 parts per million
Uranium	611 parts per million
Arsenic	174 parts per million
Lead	497 parts per million

The solid-rock assays show that thorium, uranium, arsenic and lead occur in Sheep Creek samples and that concentrations vary. These maxima are far above typical crustal abundances and give us serious concern. Furthermore, we do not believe the samples are representative of the proposed 3,000 ton bulk sample that will be removed and transported according to the Plan. We believe it's imperative to conduct representative sampling on the specific materials proposed to be blasted and removed to evaluate the safety of the material.

The Potential Dangers

Thorium & Uranium

Rock blasting will create dust that could contain radioactive thorium and uranium. This dust could travel downwind directly from the project site. If inhaled, thorium-bearing dust could increase the risk of lung or bone cancer, while uranium exposure can damage the kidneys and inhaled insoluble uranium compounds can damage the respiratory tract (source: U.S. Environmental Protection Agency, Radionuclide Basics: Thorium; Agency for Toxic Substances and Disease Registry, Uranium Public Health Statement).

The degree of risk depends on factors including concentration, chemical form, particle size and the amount and duration of exposure. We do not believe adequate analysis has been done here. Furthermore, as these materials are transported - along the same roads our community uses daily - we believe the risk of dust escaping into the air along the West Fork Corridor is very real. USCM's Plan does not discuss in sufficient detail how they will secure or seal these materials for

transport, nor what their mitigation plan is in the event of an accident. The Plan identifies “super sacks” but we do not believe the Plan provides enough information about their specifications, closure, inspection, weather protection or handling after a damaged or dropped load.

The Forest Service should require representative radiological characterization before work begins. It should also require controls for dust and damaged containers during blasting, bagging, transport of any kind, staging and road hauling.

Asbestos

A prior report concerning the Sheep Creek claims describes “felted actinolite” in and near the carbonatite bodies (Crowley 1960). Felted actinolite may be asbestiform and, if so, could present a health threat to our community also through dust as outlined above. Asbestos is known to cause mesothelioma. Yet, we don’t yet know if this actinolite is asbestiform or not. If that dust contains asbestiform actinolite (asbestos) it may persist in the environment. Wind and forest fires could mobilize the dust and create a human health hazard. A qualified mineralogist should test representative material for asbestiform amphiboles before blasting, drilling, bagging, helicopter handling or hauling begins.

Arsenic, Lead & Other Heavy Metal Contaminants

The existing assays identify arsenic and lead in some rock samples. Whether these and other constituents will move into water depends on their concentration, mineral form, particle size, pH, oxidation conditions and contact with water. The current data do not provide the leachability and materials-characterization data needed to assess the potential for surface and groundwater contamination. These contaminants are known to adversely impact health in significant ways.

Summary

The potential for radioactive and toxic contamination from the proposed activity poses serious environmental and health risks, especially to our community, which breathes the air downwind of Sheep Creek and relies on local water sources.

Before approving the Plan, the Forest Service should require representative testing of the material proposed for disturbance at Sheep Creek for thorium, uranium, arsenic, lead, asbestiform minerals and other constituents of concern. It should then publicly disclose the results.

A comprehensive environmental assessment should be conducted before ground disturbing activities take place. This assessment should include detailed studies on the mobility and bioaccumulation potential of these elements, as well as the implementation of stringent water quality monitoring protocols.

Before disturbance, the Forest Service should require:

- Third-party sampling of mineralized rock, waste rock, drill core, cuttings and representative dust. The sampling design should cover the different rock types, grade ranges and work locations.

- Total and leachable concentrations of arsenic, lead, uranium, thorium and other constituents identified through representative screening.
- Radiological characterization appropriate to the materials and proposed handling methods.
- Mineralogical testing for asbestiform amphiboles.
- Written criteria identifying which materials may remain underground, which cuttings may be returned to sumps and which materials must be removed to an authorized facility.
- Dust controls, secured containers, covered loads, inspection procedures, cleanup requirements and exposure monitoring where testing or field conditions indicate a risk.

Water Use at the Project Site Creates a Real Risk of Ground- and Surface Water Contamination

USCM's Plan anticipates using as much as 8,800 gallons per day for its operational purposes. The Plan says that "most" drilling water will be recycled, but it does not address the methodology of water capture or recycling, nor does it provide any estimates to the exact amount that will be recycled and what will happen to the "non-recycled" balance; the Plan does not state the source, withdrawal authority, consumptive use, down-hole loss, evaporation, infiltration or expected volume remaining in each sump (Plan at 12 -13). These omissions prevent a sound analysis of supply, containment, disposal and any associated risks.

Water used in drilling or bulk sampling can contact freshly disturbed rock, drill cuttings, additives and underground workings and become contaminated. Subsequently, water that is not recycled could enter fractures, groundwater, adit drainage or surface runoff. The residents of the West Fork use this ground and surface water for our drinking water, household use, irrigation and recreation. If this water were to become contaminated the effects could be devastating to human health and the environment.

The Plan provides no hydrologic conceptual model, testing or analysis showing the relationship among the drill sites, adits, faults and fractures, shallow groundwater, Sheep Creek, the West Fork, domestic wells, springs and surface diversions.

We believe that the potential for groundwater and drinking water contamination is real and therefore constitutes an extraordinary circumstance requiring an Environmental Assessment.

Additionally, Montana law defines the Bitterroot River basin as Basin 76H and closes its subbasins to most new appropriations and new state water reservations, subject to stated exceptions under Mont. Code Ann. § 85-2-344. USCM should be asked to prove they will use a legal water source. Disclosure of the source, water right, place of use and expected depletion is needed to evaluate the proposal.

Before ground disturbance, the Forest Service should require a water-source and water-balance disclosure for each work location and operating phase. The disclosure should identify all sources and quantify withdrawals, deliveries, recycling, consumptive use, evaporation, infiltration, down-hole loss, storage capacity and discharge. It should also explain how the source and use comply with the Bitterroot basin closure and protect existing water rights and streamflow.

The Plan also states that, apart from monitoring required by another permit or authorization, no surface-water or groundwater monitoring is necessary (Plan at 13). We believe that conclusion is unsupported. Baseline data collected before operations are needed to distinguish project effects from natural variability and to guide a response if turbidity, metals, radionuclides, drilling additives or other constituents or contaminants change during or after the work.

Section 1b.3(f)(1)(iii) identifies special sources of water, including wellhead protection areas, municipal watersheds and other water sources vital to a region, among the resources to screen for when considering extraordinary circumstances. The agency should determine how that resource condition applies to connected household supplies and the West Fork watershed. The Plan creates plausible cause-and-effect pathways but lacks the analysis needed to determine the degree of effect. That gap supports preparation of an Environmental Assessment under 7 C.F.R. § 1b.3(f)(2).

The Environmental Assessment should include:

- A hydrologic conceptual model mapping surface drainage, shallow groundwater, adit drainage, faults and fractures, likely flow paths, wells, springs, surface diversions, Sheep Creek and the West Fork.
- A public monitoring plan using an independent laboratory and documented quality controls. Sampling should include upstream and downstream surface-water stations and appropriate groundwater or spring locations before operations, during active work, after major runoff events and through at least two spring runoff periods after reclamation.
- Analytes selected from representative rock and drilling-material characterization, including field parameters, turbidity, suspended sediment, metals, radionuclides and drilling additives where applicable.
- Numeric response thresholds tied to baseline conditions and applicable standards, with prompt reporting, work suspension, source control, confirmatory sampling, downstream notice, protection of water intakes and replacement household water when project-related effects are reasonably suspected.

The Materials Transport Plan Does Not Include a Road Safety Analysis

West Fork Road is the daily route for residents, school buses, service vehicles, recreation traffic, law enforcement, fire crews, ambulances and other emergency responders. The Plan does not provide a final hauling schedule, loaded vehicle weights, a route and bridge analysis or procedures for maintaining access during a crash, spill, fire or road closure.

Some of the Plan's own figures also need reconciliation. Appendix G allows about 35,000 pounds of bulk material to leave the staging area per day in as many as two loaded pickup-and-gooseneck-trailer trips. Moving 3,000 short tons at that stated daily amount would require about 172 hauling days. The Plan gives a bulk-sampling period of 120 to 180 days. At 120 days, the required average would be 50,000 pounds per day. The Forest Service should require that USCM reconcile those figures and disclose any stockpiling, additional trips, larger vehicles or longer schedule needed to move the full quantity. (Plan at 7; Appendix G at 3-4.)

The final route and receiving location also are incomplete. Appendix G identifies a private location in the Conner or Darby area followed by laboratory testing, but it does not identify the property, storage capacity, stormwater controls, security, land-use approvals or transport arrangements beyond that point. The Forest Service cannot evaluate the full transport program and its safety without this information.

The Environmental Assessment and final Plan should include:

- A material-flow table showing daily and total tonnage, vehicle types, legal payload, gross and axle weights, operating days, loading and unloading procedures, interim storage and final destinations for bulk material, waste, core, cuttings, used fluids and contaminated cleanup material.
- A route-specific road and bridge assessment covering turning movements at the staging area, sight distance, pullouts, pavement and shoulder condition, bridge and culvert capacity, seasonal restrictions, maintenance responsibility and protection of resident and emergency access.
- Enforceable operating hours, covered-load requirements, driver and contractor requirements, speed controls, trip logs and coordination with Ravalli County, law enforcement, fire and emergency medical services, school transportation officials and every road authority on the final route.
- An incident plan for a crash, spill, dropped load or fire that specifies agency contacts, household and downstream notification, intake protection, emergency sampling, cleanup authority, medical response and alternate water supplies.

The Materials Staging Area and Hazardous-Material Controls Introduce Additional Risk and Need Site-Specific Review

The private staging area off West Fork Road is the transfer point for water, fuel, equipment, bulk material, helicopter support, truck loading and traffic. The Plan lacks a scaled site plan identifying property boundaries, nearby residences and wells, surface drainage, waterways, tanks, secondary containment, loading areas, material storage, fire separation, security, lighting, access control and spill equipment.

These omissions ignore risk and leave foreseeable potential failures unaddressed. For example, a leaking tank, ruptured hose or refueling spill could move through surface drainage toward a well or waterway before containment. Poor separation of fuel, equipment and combustible material could allow an equipment or vehicle fire to spread. An unplanned loading layout could block emergency access or expose residents and workers to trucks, machinery and dust. Unclear command authority could delay containment, fire response or evacuation.

The Plan states that a second fuel tank will be maintained at the staging area for helicopter refueling but gives no capacity or design for that tank. Table 4 lists a 200-gallon double-walled diesel fuel tank for the project sites, 15 gallons of gasoline, maintenance products, explosives, detonators, drilling additives and about ten combined-product deliveries per month. The 1,000-gallon tank mentioned elsewhere is an example water tank, not a listed fuel tank. (Plan at 3, 12, 16-17.)

The Forest Service should require the scaled plan described above; disclosure of the refueling tank's capacity and design; documentation of stormwater and land-use compliance; inspection, maintenance and recordkeeping requirements; spill equipment and training; and a clear incident-command structure for fire, spill, evacuation and public notification.

Helicopter Operations and Wildfire Risk Need Enforceable Limits

Appendix G anticipates approximately 300 round-trip transit flights and 1,900 internal flights in Season 1, followed by about 240 round-trip transit flights and 1,680 internal flights in Season 2. During the most active bulk-sampling period, it projects an average of about 16 internal flights per day. The preferred route generally follows the West Fork Road corridor, with flights near 500 feet above ground when conditions allow. (Appendix G at 3-6.) The agency should analyze noise, safety, privacy, effects on livestock and wildlife, recreation and conflicts with wildfire and medical aircraft.

The work combines aircraft, generators, fuel transfer, explosives, dry vegetation, steep terrain and limited access. The Plan's general fire-prevention language does not establish operating limits, incident command or an evacuation protocol for affected residents.

Any authorization should include:

- Daily and seasonal flight limits, defined operating hours, flight logs available to the Forest Service, practicable altitude and residence setbacks, advance notice of unusually intensive operations and a complaint and correction process.
- Weather, visibility, wind, fire-danger, temporary-flight-restriction and smoke thresholds for suspending flights and long-line work, with priority preserved for wildfire aircraft and air medical operations.
- A project-specific wildfire prevention and response plan prepared with local fire and emergency agencies and addressing ignition prevention, refueling, hot work, explosives, suppression equipment and water, communications, worker training, shutdown levels, evacuation and responsibility for response costs.

Reclamation and Financial Assurance Must Cover the Full Operation's Risks

The reclamation section describes drill-hole plugging at Locations 2 through 4, but its sump-reclamation provision names only Locations 2 and 4 even though Location 3 also has a proposed sump. (Plan at 18.) The omission must be corrected. For winter suspension, the Plan calls for removing outdoor-sump liners and backfilling the sumps to grade. It proposes only two years of annual revegetation monitoring. Those measures do not address post-snowmelt settlement, erosion, drainage, water-quality change or the mobility of material returned to sumps.

The final reclamation plan should cover every sump, drill hole, platform, staging feature, access impact, adit modification and material placement. It should require testing before cuttings or waste remain on site; inspection after major runoff and through at least two spring snowmelt periods; corrective work for settlement, erosion, drainage or water-quality changes; and public reporting of monitoring and reclamation results. Enforceable monitoring, response, reclamation and financial requirements should be included in any authorization.

Under 36 C.F.R. § 228.13, the authorized officer must consider the operator's reclamation cost estimate and the estimated cost of stabilizing, rehabilitating and reclaiming the area of operations. That estimate should reflect the cost to complete the approved obligations if USCM does not perform them. It should include, as applicable, helicopter mobilization, removal and lawful disposal of unsuitable material, spill response, road and staging-area repair, water monitoring, post-runoff inspection, revegetation, contractor overhead and agency administration. The amount should be reviewed when the Plan, schedule, quantities, routes or monitoring obligations change.

The Relevance of Other Bodies' Rulings Should Be Taken into Account and Their Requirements Fulfilled

The Montana Department of Environmental Quality advised USCM on July 23, 2026, that the Montana Metal Mine Reclamation Act applies to the proposed exploration. Before surface-disturbing work begins, the Forest Service should require documentation of the applicable state exploration license and financial assurance, water and stormwater authorizations, explosives approvals, waste-handling approvals and local approvals for the staging and receiving properties. Relevant conditions from those approvals should be incorporated into the final Plan and Forest Service authorization.

Conclusion

We believe USCM's Plan of Operations provides insufficient operational and technical detail and hence does not address or resolve the potentially significant adverse effects on environmental and human health described above. We believe, therefore, that the present record does not support the finding of no extraordinary circumstance required under 7 C.F.R. § 1b.3(g).

To reiterate, our asks of the U.S. Forest Service are to:

- 1. Prepare an Environmental Assessment.** Do not approve the Plan through a categorical exclusion.
- 2. Provide Public Review.** Release a draft Environmental Assessment and all supporting technical materials for public review and comment before issuing a decision.
- 3. Correct the Project Description.** Distinguish direct surface disturbance from the full operational area of potential effects, including work sites, flight routes, the staging parcel, West Fork Road and the haul route, receiving and storage locations, nearby homes and water supplies as well as Sheep Creek and the West Fork downstream.

Please include these comments and the cited materials in the project record and address each material issue in the environmental review and decision. The West Fork Neighbors Alliance welcomes direct consultation on any of the topics addressed here.

Sources Cited

Online authorities were checked September 10, 2026.

U.S. Critical Materials Corp., Sheep Creek Project Plan of Operations, updated August 13, 2026; cited throughout as the Plan and Appendix G.

Bitterroot National Forest, Sheep Creek Rare Earth Exploration Project materials and public Project Description. <https://www.fs.usda.gov/r01/bitterroot/projects/370721>

7 C.F.R. §§ 1b.3-1b.4, USDA NEPA procedures, including extraordinary circumstances and categorical exclusion USDA-32d-USFS.

<https://www.ecfr.gov/current/title-7/subtitle-A/part-1b>

36 C.F.R. Part 228, Subpart A, including environmental protection and financial assurance.

<https://www.ecfr.gov/current/title-36/chapter-II/part-228/subpart-A>

Mont. Code Ann. § 85-2-344, Bitterroot River subbasin temporary closure, definitions and exceptions.

https://mca.legmt.gov/bills/mca/title_0850/chapter_0020/part_0030/section_0440/0850-0020-0030-0440.html

Crowley, F.A. 1960. Columbian-Rare-Earth Deposits, Southern Ravalli County, Montana. Montana Bureau of Mines and Geology Bulletin 18, p. 47.

Activation Laboratories analyses of 164 USCM Sheep Creek rock samples, downloaded from USCM's website in January 2024. Sample data have been submitted separately to USFS. Copy available upon request.

Montana Department of Environmental Quality letter to USCM, July 23, 2026, concluding that the Montana Metal Mine Reclamation Act applies to the proposed exploration.

U.S. Environmental Protection Agency. Radionuclide Basics: Thorium.

<https://www.epa.gov/radiation/radionuclide-basics-thorium>

Agency for Toxic Substances and Disease Registry. Uranium Public Health Statement.

<https://wwwn.cdc.gov/TSP/PHS/PHS.aspx?phsid=438&toxid=77>

