



MALHEUR COUNTY PLANNING DEPARTMENT

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STAFF REPORT

Planning Department File No. 2025-06-005

1. GENERAL INFORMATION:

- a. OWNER OF RECORD:** **Calico Resources USA Corp**
665 Anderson St.
Winnemucca, NV 89445
- b. APPLICANT:** **Calico Resources USA Corp**
665 Anderson St.
Winnemucca, NV 89445
- c. ATTORNEY:** **Garrett Stephenson**
Schwabe
1211 SW Fifth Avenue, Suite 1900
Portland, OR 97204

2. PROPOSED ACTION: Two-year extension of the Grassy Mountain Conditional Use Permit (CUP) to May 23, 2027 and the Sage Grouse Permit (SGP) to July 3, 2027.

3. PROPERTY IDENTIFICATION: Tax Lot 101, Assessor's Map No. 22S44E.

4. PROPERTY LOCATION AND DIRECTIONS: The property is located approximately 22 miles south of Vale. It is accessed by driving south from Highway 20 on Russell Road approximately 2.7 miles, then continuing south on Cow Hollow Road approximately 4.1 miles to Twin Springs Road, then continuing south for approximately 15.2 miles.

5. ZONING: Exclusive Range Use (C-A2).

6. PARCEL SIZE: 61.98 acres.

7. PARCEL USE: The property is currently vacant. A number of testing wells are located on the parcel, as well as access roads constructed to access test drilling and well sites. The parcel is a steep hill side, non-irrigated.

8. SUMMARY & BACKGROUND AND ZONING HISTORY

The parcel was created within BLM lands through the patenting of Calico's mining claim in 1986.

In 2018, Calico Resources applied for two related land use permits for a gold and silver mine (the "Grassy Mountain Mine" or the "Project") located on Tax Lot 101 of Assessor's Map No. 22S44E (the "Patent Parcel"). The first was a Conditional Use Permit (the "CUP") to allow the mining activity, pursuant to Malheur County Code ("MCC") 6-6-7 (County File No. 2018-10-012). The second was a permit for development within identified sage grouse habitat (the "SGP"), required by OAR 660-023-0115 (County Order No. GO-05-19). The Planning Commission approved the CUP on May 23, 2019. The County Court approved the SGP on July 3, 2019. The County granted an initial two-year extension on June 2021 and a second two- year extension on July 10, 2023. The CUP was extended to May 23, 2025, and the SGP was extended to July 3, 2025. The Applicant submitted timely requests for extension of both permits on May 21, 2025. Therefore, both permits remain valid; and the request for extensions is timely.

9. PREVIOUS ACTIONS BY PLANNING COMMISSON/COUNTY:

Planning Department File No. 2018-10-012
County Order No. GO-05-19
Planning Department File No. 2021-04-013
Planning Department File No. 2023-06-007

In addition to these actions, since 2021 the planning department/director has made administrative decisions extending the CUP and SGP permits under OAR 660-033-0140 (4) every year. Notice of administrative decisions were made on June 23, 2025 in planning department files 2025-06-003 and 2025-06-004. No inquiries, objections or appeals were filed and the permits are extended through May 23, 2026 and July 3, 2026.

10. APPLICABLE CRITERIA AND FINDINGS OF FACT:

Under MCC 6-6-12, approved conditional use permits are valid for two years, unless extended by the Planning Commission:

"A. Authorization of a conditional use shall be void after two (2) years or such lesser time as the planning commission may specify, unless substantial construction pursuant thereto has taken place. However, the planning commission may extend authorization for additional periods, on request or on its own motion, without the necessity of following any formal procedures such as those set out in chapter 10 of this title."

An extension under MCC 6-6-12 is a ministerial act delegated to the Planning Commission. No specific procedure or public notice is required. However, public notice of Calico's request was provided to BLM (the only landowner required to be notified) and published in the Argus Observer. There are no applicable criteria for an extension of a conditional use permit. There is no limit on the number of times such an extension can be approved. Note: The approval criteria for the CUP under MCC (MCC 6-6-7; 6-6-8, 6-6-6-4) and Comprehensive Plan (Goal 3, Goal 5, Goal 9, Goal 11, Goal 12) and SGP under OAR 660-023-0115 are met as set out in County File No. 2018-10-012 and County Order No. GO-05-19.

Calico provided the following explanation of why the extension is necessary:

*“Construction of the Project may not begin until the Oregon Department of Geology and Mineral Industries (“DOGAMI”) approves a chemical mining permit (the “Consolidated Permit”). Application for the Consolidated Permit required a land use approval and associated land use compatibility statement from Malheur County, requiring the Applicant to obtain the CUP and SGP prior to applying for its Consolidated Permit. The Planning Commission can find that the enormously complex review process entailed in the Consolidated Permit prevented the Applicant from beginning construction within the initial two-year approval period and extensions. A flow-chart describing this process is enclosed as **Exhibit 8 of General Application dated May 21, 2025**. The Applicant submitted its Consolidated Permit application on November 15, 2019, and DOGAMI and its state agency partners issued its 114-page completeness determination on February 19, 2020. The Applicant has been in the process of study, engineering, and interpretation of comments, and back and forth iteration with DOGAMI to respond to the completeness determination. DOGAMI deemed the final baseline data report and the Consolidated Permit Application complete in 2023, and accepted Calico's environmental evaluation on October 3, 2024. DOGAMI's 225-day period started the same day. Currently, DOGAMI is in the process of preparing draft permits but the process is not yet complete. Most recently, the Applicant continued its engagement with DOGAMI's Technical Review Team at its March 6, 2025 meeting. **Exhibit 9 of General Application dated May 21, 2025**. Draft DOGAMI permits are due on May 16, 2025.*

In addition, the Applicant requires an approved Plan of Operations (“POO”) from BLM before it can begin construction. BLM is required to conduct an Environmental Impact Statement (“EIS”) before approving the POO. A draft scoping report for the EIS was issued in July, 2024, a draft EIS (“DEIS”) is expected to be issued by BLM in August. A final BLM decision is expected by January 31, 2026.”

11. EXHIBITS:

- A. Applicant's written extension request – General Application with Exhibits 1-9 dated May 21, 2025.

12. RECOMMENDED CONCLUSION AND DECISION:

IN REGARD TO PLANNING FILE: 2025-06-005

Calico Resources USA Corp has filed a timely request for extension of its CUP and SGP and has met the requirements of MCC 6-6-12.

The Malheur County Planning Commission hereby APPROVES the requested extensions, which extends the validity of the Grassy Mountain CUP (County File No. 2018-10-012) to May 23, 2027 and the SGP (GO-05-19) to July 3, 2027.