

CHAPTER 107

MINING AND METAL RECOVERY

107.001	Definitions.	107.11	Account of ore received.
107.01	Rules governing mining rights	107.12	Penalty
107.02	Mining statement; penalty.	107.15	Requirements for mineral exploration.
107.03	Conflicting claims.	107.20	Maximum term for exploration mining leases.
107.04	Lessee's fraud; failure to work mine.	107.25	Right to cancel exploration mining leases; recording.
107.05	Regulation of water.		

107.001 Definitions. As used in this chapter:

(1) "Exploration mining lease" means any lease, option to lease, option to purchase or similar conveyance entered into for the purpose of determining the presence, location, quality or quantity of metalliferous minerals or for the purpose of mining, developing or extracting metalliferous minerals, or both. Any lease, option to lease, option to purchase or similar conveyance entered into by a mining company is rebuttably presumed to be an exploration mining lease.

(2) "Metalliferous minerals" means naturally occurring minerals which contain metal.

(3) "Mining company" means any person or agent of a person who has a prospecting or mining permit under s. 144.84 or 144.85.

History: 1977 c. 253.

107.01 Rules governing mining rights. Where there is no contract between the parties or terms established by the landlord to the contrary the following rules and regulations shall be applied to mining contracts and leases for the digging of ores and minerals:

(1) No license or lease, verbal or written, made to a miner shall be revocable by the maker thereof after a valuable discovery or prospect has been struck unless the miner shall forfeit his right by negligence such as establishes a forfeiture according to mining usages.

(2) The discovery of a crevice or range containing ores or minerals shall entitle the discoverer to the ores or minerals pertaining thereto, subject to the rent due his landlord, before as well as after the ores or minerals are separated from the freehold; but such miner shall not be entitled to recover any ores or minerals or the value thereof from the person digging on his range in good faith and known to be mining thereon until he shall have given notice of his claim; and he shall be entitled to the ores or minerals dug after such notice.

(3) Usages and customs among miners may be proved in explanation of mining contracts to

the same extent as usage may be proved in other branches of business.

History: 1975 c. 41 s. 51.

107.02 Mining statement; penalty. When there shall be no agreement between the parties to any mining lease, license or permit, to mine or remove ore from any lands in this state, regulating the method of reporting the amount of ore taken, it shall be the duty of the person, firm or corporation mining and removing such ore or ores, to keep proper and correct books, and therefrom to make and deliver by or before the fifteenth day of each month to the lessor, owner or person entitled thereto, a detailed statement covering the operations of the preceding month. Such statement shall show the total amount of tons or pounds of each kind of ore produced; if sold; then to whom sold, giving the date of sale, date of delivery to any railroad company, naming such company, and the station where delivered or billed for shipment; the name and address of the purchaser; the price per ton at which sold and the total value of each kind of ore so sold. Such books shall be always open to any owner, lessor, licensor or stockholder, if such owner, lessor, or licensor is a corporation, and to any person or stockholder interested in any such mining operations, for the purpose of inspection and taking copies thereof or abstracts therefrom. Any person, firm, joint stock company or corporation, and every officer, agent or employe of any thereof, who shall violate any of the provisions of this act, or who shall make any false or incomplete entries on any such books or statements, shall, upon conviction, thereof, be punished by a fine of not less than one hundred dollars, or by imprisonment in the county jail for not more than three months, or by both such fine and imprisonment.

107.03 Conflicting claims. In case of conflicting claims to a crevice or range bearing ores or minerals the court may continue any action to enforce a claim or grant any necessary time for

the purpose of allowing parties to prove up their mines or diggings if it satisfactorily appears necessary to the ends of justice. In such case the court or judge may appoint a receiver and provide that the mines or diggings be worked under the receiver's direction, subject to the order of the court, in such manner as best ascertains the respective rights of the parties. The ores or minerals raised by either party pending the dispute shall be delivered to the receiver, who may, by order of the court or judge, pay any rent or other necessary expenses therefrom.

History: 1977 c. 449.

107.04 Lessee's fraud; failure to work mine. Any miner who conceals or disposes of any ores or minerals or mines or diggings for the purpose of defrauding the lessor of rent or who neglects to pay any rent on ores or minerals raised by the miner for 3 days after the notice thereof and claim of the rent, shall forfeit all right to his or her mines, diggings or range; and the landlord after the concealment or after 3 days have expired from the time of demanding rent, may proceed against the miner to recover possession of the mines or diggings in circuit court as in the case of a tenant holding over after the termination of the lease. If a miner neglects to work his or her mines or diggings according to the usages of miners, without reasonable excuse, he or she shall likewise forfeit the mines or diggings and the landlord may proceed against the miner in like manner to recover possession of the mines or diggings.

History: 1977 c. 449.

107.05 Regulation of water. (1) SCOPE. (a) This section shall govern the withdrawal or diversion of ground or surface waters by persons engaged in mining as defined in s. 144.81 (5). Discharges of waters are subject to ch. 147, construction of necessary dams or other structures is subject to chs. 30 and 31 and construction of wells is subject to ch. 162, to the extent applicable.

(b) In this section "department" means the department of natural resources.

(2) DIVERSION OF SURFACE WATER; PERMIT REQUIRED. (a) Any person intending to divert surface waters for mining shall apply to the department for a permit. The forms and procedures used under s. 30.18 shall apply to the extent practicable.

(b) The department, upon receipt of an application for a permit, shall determine the minimum stream flow or lake level necessary to protect public rights, the minimum flow or level

necessary to protect the rights of affected riparians, the point downstream beyond which riparian rights are not likely to be injured by the proposed diversion and the amount of surplus water, as defined in s. 30.18 (2), if any, at the point of the proposed diversion.

(c) At the hearing on the permit application, the department shall take testimony on:

1. The public rights in the lake or stream and the related environment which may be injured by the proposed diversion;

2. The public benefits provided by increased employment, economic activity and tax revenues from the mining operation;

3. The direct and indirect social and economic costs and benefits of the proposed mining operation;

4. Whether the proposed withdrawal will consume nonsurplus water;

5. The rights of competing users of such water resources; and

6. Any other issues identified by the department as relevant to the decision of whether to issue or deny a permit.

(d) Within 30 days after hearing, the department shall issue or deny a permit. The following standards shall govern the decision of the department:

1. If injury to public rights exceeds the public benefits generated by the mining, the permit shall be denied.

2. If the proposed diversion will consume nonsurplus waters, and will unreasonably injure rights of riparians identified by par. (b) who are beneficially using such waters, the permit shall be denied unless a permit is granted under par. (e) or all such riparians consent to the proposed diversion.

3. In all other cases the permit shall be granted.

(e) The department may require modification of a proposed diversion so as to avoid injury to public or riparian rights, and as modified, may grant the permit.

(f) Water diverted in accordance with a permit issued under this subsection may be used on nonriparian property.

(g) The department shall maintain continuing jurisdiction over water withdrawal made according to permits issued under this subsection and may modify such permits to prevent undue injury to riparians who gave consent under par. (d) 2 at the time of issuance of the permit.

(3) WITHDRAWAL OF GROUND WATER. (a) No permit or approval may be required to withdraw ground water or to dewater mines, except as governed by s. 144.025 (2) (e), or to discharge pollutants resulting from the dewatering of mines, except as governed by ch. 147. No

withdrawal of ground water or dewatering of mines, with or without a permit, may be made to the detriment of public or private water supplies.

(b) Persons claiming damage to their private water supplies as a result of mining-related water withdrawals may file a complaint with the department and, if there is a need for an immediate alternative source of water, with the municipality in which the private water supplies are located. The department shall conduct an investigation, and if the department concludes that there is reason to believe that the mining operation is interrelated to the condition giving rise to the complaint, it shall schedule a hearing. In this paragraph, "persons" does not include municipalities claiming damage to their water supplies as a result of mining-related or nonmining-related water withdrawals.

(c) The town, village or city within which is located the private water supply which is the subject of the complaint shall, upon request, supply necessary amounts of water to replace that water formerly obtained from the damaged private supply. Responsibility to supply water shall commence at the time the complaint is filed and shall end at the time the decision of the department made at the conclusion of the hearing is implemented.

(d) If, after hearing, the department concludes that the mining operation is the principal cause of such damage as is found to private water supplies, it shall issue an order to the operator requiring the provision of reasonable amounts of water to those persons found to be damaged, requiring reimbursement to the town, village or city for the cost of supplying water under par. (c), if any, and the payment of compensation for any damages unreasonably inflicted on such persons as a result of damage to their water supplies. Compensatory damages awarded may not exceed \$25,000 per claimant. Any judgment awarded in a subsequent action for damages occasioned by the disruption of private water supplies caused by metallic mining shall be reduced by any award of compensatory damages previously made under this section for the same injury and paid by the operator.

(e) If the department concludes after hearing that the mining operation is not the cause of any damage found, reimbursement to the town, village or city for the costs of supplying water under par. (c), if any, shall be the responsibility of the person who filed the complaint.

(f) Failure of an operator to comply with an order under par. (d) shall be grounds for suspension or revocation of a mining permit.

(4) COSTS REIMBURSED. (a) Costs incurred by municipalities in monitoring the effects of a mining operation on surface and ground water

resources, in providing water to persons claiming damage to their private domestic water supplies under sub. (3), or in retaining legal counsel or technical consultants to represent and assist municipalities appearing at the hearing under sub. (3) shall be reimbursable through the investment and local impact fund under s. 15.435.

(b) Any costs paid through the investment and local impact fund under par. (a) shall be reimbursed to the fund by a municipality to which fund moneys have been paid under par. (a) if the municipality receives funds from any other source for the costs incurred under par. (a).

(5) PROCEDURES. Hearings on applications for diversion permits under this section shall be preceded by mailed notice to all parties or affected persons and by publication in the affected area of a class 2 notice, under ch. 985. Hearings may be conducted as part of a hearing on an application for a mining permit under s. 144.85.

History: 1977 c. 420.

107.11 Account of ore received. Every person operating a metal recovery system and every purchaser of ores and minerals shall keep a substantially bound book, ruled into suitable columns, in which shall be entered from day to day, as ores or minerals are received, the following items: the day, month and year when received; the name of the person from whom purchased; the name of the person by whom hauled and delivered; name of the owner of the land from which the ores or minerals were obtained, or if not known, the name of the diggings or some distinct description of the land. The bound book shall be kept at the furnace or at the usual place of business of such person or purchaser or his or her agent in this state, and shall be open to authorized representatives of the department of revenue at reasonable times for inspection and taking extracts.

History: 1977 c. 420.

107.12 Penalty. If any person operating a metal recovery system or purchaser of ores and minerals or the agent of any such person or purchaser doing business fails to keep such a book or to make such entries as required under s. 107.11 or unreasonably refuses to show the book for inspection or taking extracts or makes false entries in the book he or she shall forfeit \$10 for each offense, one-half to the use of the prosecutor; and each day such failure or refusal continues shall be deemed a distinct and separate offense.

History: 1977 c. 420.

107.15 Requirements for mineral exploration. (1) **LEGISLATIVE PURPOSE.** The purpose of this section is to further the public interest in informed decision-making by appropriate state agencies, including the office of the state geologist, which are responsible for mineral, geologic and other earth-related sciences by ensuring that those agencies have as much geological information as possible where such information is relevant to their functions and at the same time protecting proprietary rights in such information.

(2) **DEFINITIONS.** In this section:

(a) "Exploration" means the onsite geologic examination from the surface of an area by core, rotary, percussion or other drilling, where the diameter of the hole does not exceed 18 inches, for the purpose of searching for metallic minerals or establishing the nature of a known metallic mineral deposit, and includes associated activities such as clearing and preparing sites or constructing roads for drilling.

(b) "Licensee" means any person registered to conduct exploration as provided under sub. (3) or licensed to conduct exploration activities by the department of natural resources. If the person is a corporation, "licensee" includes the parent and any subsidiary or affiliates of the corporation engaged in mining or activities related to mining in this state.

(c) "Metalliferous minerals" means naturally occurring minerals which contain metal.

(d) "Mining" or "mining operation" means all or part of the process involved in the mining of metallic minerals, other than for exploration or prospecting, including commercial extraction, agglomeration, beneficiation, construction of roads, removal of overburden and the production of refuse.

(e) "Prospecting" means engaging in the examination of an area for the purpose of determining the quality and quantity of minerals, other than for exploration but including the obtaining of an ore sample, by such physical means as excavating, trenching, construction of shafts, ramps and tunnels and other means, other than for exploration, which the department, by rule, identifies, and the production of prospecting refuse and other associated activities.

(3) **REGISTRATION.** Every person who desires to engage in exploration shall register with the state geologist on forms provided by him or her prior to commencing the exploration unless the person has been licensed to conduct exploration activities by the department of natural resources under ch. 144.

(4) **RELEASE OF GEOLOGIC DATA.** (a) The licensee shall submit to the state geologist a

report containing the following information on or before July 1 of the year following each year in which soil, rock, core or drill cutting samples are obtained by the licensee:

1. The name and address of the person conducting exploration and, if the person is a corporation, the names and addresses of the parent and any subsidiaries or domestic affiliates of the corporation engaged in exploration activities in this state;

2. The names and addresses of the owners of the lands in this state on which exploration activities have been conducted;

3. The specific location, inclination and the collar azimuth of completed drill holes;

4. The date core samples and drill cuttings which have been collected or prepared, were obtained;

5. The approximate elevation of the collars of drill holes;

6. The percent core recovery log; and

7. A noninterpretive lithologic description of all portions of core samples and, of all drill cuttings if any noninterpretive lithologic descriptions of drill cuttings are prepared, excluding mention of metalliferous minerals found in the samples and cuttings.

(b) The state geologist may require that designated representative and reasonable quantities of soil, rock, core or drill cutting samples obtained by a licensee during exploration be retained by the licensee and released to the state geologist for purposes of geologic study. The state geologist shall designate the samples and the quantities to be retained by the licensee and shall notify the licensee by December 31 of the year in which a report under par. (a) is submitted. The licensee shall release the samples no later than July 1 of the year following the year in which an exploration lease for the site where the samples were obtained has expired, but release shall be no later than 10 years after the commencement of drilling at the site.

(c) The state geologist or his or her designee may visually examine, at reasonable hours mutually agreed upon by the licensee and the state geologist, core samples or drill cuttings which are reported on under par. (a), except for those core samples or drill cuttings or portions of core samples or drill cuttings which the licensee deems proprietary or confidential.

(d) No later than upon the termination of mining or the abandonment of a site subsequent to prospecting, or 10 years from the date core samples or drill cuttings were originally obtained, the licensee shall submit to the state geologist, if not previously submitted, the following noninterpretive geologic information and samples:

1. The name and address of the person conducting exploration and, if the person is a corporation, the names and addresses of the parent and any subsidiaries or domestic affiliates of the corporation engaged in exploration, prospecting or mining in this state;

2. The names and addresses of the owners of the lands in this state on which exploration activities have been conducted;

3. The specific location, inclination and the collar azimuth of completed drill holes;

4. A noninterpretive lithologic description of all portions of core samples and, of all drill cuttings if any noninterpretive lithologic descriptions of drill cuttings are prepared, excluding mention of the quantity of metalliferous minerals found in the samples and cuttings;

5. Geologic maps of a lithologic nature of a scale smaller than one inch equals 200 feet normally prepared as a permanent record of an exploration, prospecting or mining operation;

6. The date core samples and drill cuttings were obtained;

7. The approximate elevation of the collars of drill holes;

8. The percent core recovery log; and

9. Upon the request of the state geologist, a representative sample of any core samples or drill cuttings which have been collected.

(e) The information submitted to the state geologist under par. (a) or (d) may not be used by any person as the basis for any claim of civil liability which is unrelated to metalliferous mineral mining. Any person submitting information in good faith and in compliance with this section shall not be held responsible for any consequences of the use of or reliance upon such information.

(f) Exploration data and samples submitted under par. (a) or (b), or both, shall be kept confidential until December 31 of the 3rd year following the date of submission. The confidentiality of the data and samples obtained during prospecting or mining shall extend to the time of the abandonment of a site subsequent to prospecting, the termination of mining if mining occurs, or 10 years after the core samples or drill cuttings were obtained, whichever is earliest.

(5) FEES. The state geologist shall charge a reasonable fee to persons requesting copies of any written information collected or prepared under this section. A person employed by a state agency shall not be charged for such information if the information requested is necessary for the performance of the person's duties.

(6) PENALTIES. (a) Any person who knowingly or wilfully fails to comply with the reporting requirements of this section shall be fined up to \$50,000.

(b) In addition to the penalty prescribed in par. (a), any person who fails to submit information which is required to be submitted under this section shall forfeit \$10 for each day after the date on which the information should have been submitted until the information is provided.

(c) Any person who knowingly or wilfully violates the confidentiality requirements of this section shall be fined not less than \$50 nor more than \$50,000, or be imprisoned for not less than one month nor more than 6 months, or both. This paragraph shall not prevent the use of the confidential information:

1. For assessment purposes under s. 36.25 (6); or

2. By the secretary of the department of natural resources for purposes of specific environmental analysis and permit application evaluation and by the secretary of the department of revenue provided that the confidential information shall not be released by either the department of revenue or the department of natural resources, that the departments of revenue and natural resources shall establish procedures to keep any confidential information confidential, and that the responsible person or persons in each department shall be subject to the penalty specified under this paragraph for the unauthorized release of confidential information.

History: 1977 c. 422, 447.

107.20 Maximum term for exploration mining leases.

(1) Any provision of an exploration mining lease entered into after April 25, 1978 granting an option or right to determine the presence, location, quality or quantity of metalliferous minerals shall be limited to a term not exceeding 10 years from the date on which the exploration mining lease is recorded in the office of the register of deeds of the county where the property is located.

(2) Any provision of an exploration mining lease entered into after April 25, 1978 granting an option or right to develop or extract metalliferous minerals shall be limited to a term not exceeding 50 years from the date on which the exploration mining lease is recorded in the office of the register of deeds of the county where the property is located.

History: 1977 c. 253.

107.25 Right to cancel exploration mining leases; recording.

(1) RIGHT TO CANCEL. An exploration mining lease entered into after April 25, 1978 may be canceled by the lessor as follows:

(a) If the lessor is not a public body, the lessor may cancel an exploration mining lease by

notifying the lessee within 10 calendar days after the lease is recorded.

(b) If the lessor is a public body as defined in s. 66.43 (3) (m), the lessor may cancel an exploration mining lease by notifying the lessee within 90 calendar days after the lease is recorded.

(c) The lessor may cancel an exploration mining lease if 10 years have elapsed from the date on which the lease was recorded in the office of the register of deeds of the county where the property is located and the lessee has not formally applied for a permit to prospect under s. 144.84. In the event that the lessee formally applies for a prospecting permit under s. 144.84 within the 10-year period, but does not receive a mining permit under s. 144.85 within the 10-year period following the date of application for the prospecting permit, the lessor's right to cancel is revived.

(d) The lessor's right to cancel an exploration mining lease provided in this subsection cannot be waived and any provision to the contrary in such a lease is void.

(e) Paragraphs (a) and (b) do not apply to exploration mining leases of any lands which were the site of a metalliferous mineral mine which was in operation during all or part of the 5-year period prior to April 25, 1978.

(2) NOTIFICATION OF CANCELLATION. A lessor shall notify the lessee of cancellation by registered mail addressed to the lessee. Notice is considered to be given at the time the letter is mailed. The lessor shall also provide written notice of the cancellation to the register of deeds which shall be recorded. The recorded notice shall be in legible form, as determined by the register of deeds and must clearly identify the exploration mining lease document being canceled, the lessor and lessee, the property subject to the lease and the date the lease was originally recorded.

(3) STATEMENT OF RIGHT TO CANCEL. An exploration mining lease shall contain a printed statement in capital and lowercase letters of not less than 12-point boldface type of the lessor's right to cancel as provided in this section and the address to which the notice of cancellation should be mailed.

(4) RECORDING. An exploration mining lease which is not recorded in the office of the register of deeds of the county in which the land is located, within 30 days after it is signed by the lessor, is void.

History: 1977 c. 253.