

Friends of the Earth, et al. v. Department of State Lands, et al.
Cause No.44384, 1st Judicial District
Judge Wheelis
Decided 1980

MEPA Issue Litigated: Should the agency have conducted a MEPA analysis (an EIS)?

Court Decision: The possibility of mandamus exists to compel the agency to conduct an EIS but the court does not dismiss the case on this issue.

OPINION AND ORDER

1 IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
2 STATE OF MONTANA, IN AND FOR THE COUNTY OF LEWIS AND CLARK

3 Cause No. 44384

4 FRIENDS OF THE EARTH, MONTANA
5 WILDERNESS ASSOCIATION, AND
6 THE FLATHEAD CITIZENS FOR SAFE
7 ENERGY,

8 Plaintiffs,

9 vs.

10 DEPARTMENT OF STATE LANDS OF THE
11 STATE OF MONTANA, BOARD OF
12 LAND COMMISSIONERS OF THE STATE
13 OF MONTANA, AND THE KERR-McGEE
14 CORPORATION,

15 Defendants.

16 OPINION AND ORDER

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18 I. OPINION

19 Plaintiffs seek on their behalf and on behalf of their
20 members a (i) declaratory judgment; (ii) injunction; and
21 (iii) mandamus compelling the Defendants to comply with the
22 Montana Environmental Policy Act and with the constitutional
23 right of all citizens to a "clean and healthful environment"
24 as guaranteed in Montana Constitution Article II, Section 3.
25 They seek to prevent further commitments of resources for
26 uranium exploration in Montana pending full compliance with
27 these legal duties by the Defendants.

28 Defendants raise these grounds for dismissal of the
29 complaint: (i) Plaintiffs' lack of standing; (ii) failure to
30 state a claim upon which relief may be granted; (iii) failure
31 to join indispensable parties; (iv) failure to establish the
32 existence of an actual case and controversy concerning in-situ
33 uranium mining activities; and (v) misrepresentation of the
34 requirements of the Montana Strip and Underground Mine Rec-
35 lamation Act.

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Margaret Burkitt

1 1. Standing must be resolved prior to consideration
2 of any substantive grounds for dismissal. Resolution of standing,
3 however, is not a precise process; in fact, it has been des-
4 cribed as "among the most amorphous in the entire domain
5 of public law." Remarks by Professor Paul Freund, Hearings on
6 S. 2097, before the Subcommittee on Constitutional Rights of the
7 Senate Committee on the Judiciary, 89th Cong., 2d Sess., pt. 2
8 at 498 (1966). Justice Douglas has observed that "(g)eneral-
9 izations about standing to sue are largely useless as such. . . ."
10 Association of Data Processing Service Organizations, Inc. v.
11 Camp, 397 U.S. 150, 151 (1970)

12 Standing as a concept derives from two distinct doc-
13 trines: '(i) discretionary doctrines aimed at prudently mana-
14 ging judicial review of the legality of public acts, and (ii)
15 constitutional requirements of the existence of a 'case or con-
16 troversy' in order to invoke federal judicial power, U.S. Con-
17 stitution Article II, and the "cases at law and equity" juris-
18 dictional requirement for judicial review in Montana, Montana
19 Constitution Article VII, Section 4., See Warth v. Seldin,
20 422 U.S. 490 (1975); Stewart v. Board of Commissioners of Big
21 Horn County, 34 St. Rptr. 1594, 1596, 573 P.2d 184, 186 (1977).

22 The United States Supreme Court has expressed that
23 the essence of this constitutional inquiry is:

24 (W)hether the parties seeking to invoke the court's
25 jurisdiction have alleged such a personal stake in
26 the outcome of the controversy as to assure that
27 concrete adverseness which sharpens that presentation
28 of issues upon which the court so largely depends
29 for illumination of difficult constitutional questions.
30 Baker v. Carr, 369 U.S. 186, 204, . . . As refined
31 by subsequent reformulation, this requirement of
32 a "personal stake" has come to be understood to
require not only a "distinct and palpable injury,"
Warth v. Seldin, 422 U.S. 490, 501 . . . but also
a "fairly traceable" causal connection between the
claimed injury and the challenged conduct . . .
Duke Power Co. v. Carolina Environmental Study
Group, Inc., 438 U.S. 59, 72 (1978).

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1 By the very nature and objectives of these Plaintiff
2 organizations as dedicated to the preservation of the environ-
3 ment and to communication with their members and the general
4 public concerning environmental issues and government actions
5 concerning the environment, a concrete adverseness may be
6 presumed absent a showing that this presumption is not justified
7 in a particular case. The Plaintiffs' self-description indicates
8 such an adverseness exists as the motivation for this cause of
9 action. Assuming that factual allegations of the Plaintiffs
10 are true as is required in a motion to dismiss, Duffy v. Butte
11 Teachers' Union, #332, AFL-CIO, 168 Montana 246, 252-253, 541
12 P.2d 1199 (1975), the causal connection between the Plaintiffs'
13 alleged injuries and the Defendants' alleged omissions and fail-
14 ures to act as mandated by law is demonstrated throughout the
15 entire complaint.

16 The Montana Supreme Court has established as a minimum
17 criteria in addition to this case or controversy requirement
18 the necessity of alleging (i) past, present or threatened injury
19 to a property or civil right; and, (ii) an injury distinguishable
20 from the injury to the public in general, but this injury need
21 not be exclusive to the complainant. Stewart v. Bd. of Commiss-
22 ioners of Big Horn County, 34 St. Rptr. at 1597, 573 P.2d at
23 186 (emphasis added).

24 The Plaintiffs allege numerous injuries, actual and
25 threatened, to their environmental interests and those of their
26 members as individuals. These alleged injuries fall within
27 four categories. First, the Plaintiffs, allege that the state
28 Defendants' granting of permits to Kerr-McGee without first
29 preparing an Environmental Impact Statement (EIS) violates the
30 Montana Environmental Policy Act, §75-1-201 MCA 1979, Counts
31 I and II of the complaint allege violations of §75-1-201 (2)(c)
32 by failure to prepare programmatic and regional EISs prior to
issuance of these permits. Count III alleges violation of

1 A.R.M. 26-2.2(18)-P270 through the failure of the state Defen-
2 dants to prepare a site-specific EIS after a Preliminary
3 Environmental Review (PER) authroized by that regulation in-
4 dicated that a potentially significant impact on groundwater
5 could result from exploration drilling activities. Finally,
6 Count IV alleges violation of §75-1-201 (2)(a) by the failure
7 of the state Defendants to utilize a systematic, interdisciplin-
8 ary approach in making their decisions concerning the potential
9 impact on the human environment of uranium exploration.

10 The second category of alleged injuries involves the
11 Montana Strip and Underground Mine Reclamation Act, §82-4-102
12 MCA 1979. The Plaintiffs allege in Count V that the state
13 Defendants violated the Act by granting permits for exploration
14 in the absence of an informed decision based on hydrological
15 data of the allegedly impacted areas. The inadequacy of the
16 reclamation plan and map supporting Kerr-McGee's permits is
17 the basis of Count VI. The Plaintiffs allege in Count VII that
18 the state Defendants violated this Act by their granting permits
19 to Kerr-McGee despite numerous alleged violations of drilling
20 regulations and procedures prior to this application for permits.

21 The third category of alleged injury focuses on the
22 violation of a duty of care in administering school trust
23 lands by the Board of Land Commissioners. Count VIII alleges
24 that this Defendant granted permits on school trust lands in the
25 absence of an informed judgment and that action is a breach of
26 their duty of care.

27 Finally, the Plaintiffs allege a violation of their
28 right to a clean and healthful environment as guaranteed in
29 Article II, Section 3 of the Montana Constitution by the state
30 Defendants failure to prepare the necessary EISs prior to
31 granting the permits at issue.

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1 Environmental interests may establish standing to sue:

2 Aesthetic and environmental well-being, like economic
3 well-being, are important ingredients of the quality
4 of life in our society, and the fact that particular
5 environmental interests are shared by many rather than
6 few does not make them less deserving of legal protection
7 through the judicial process. Sierra Club v. Morton,
8 405, U.S. 727, 734 (1972);

9 Accord, U.S. vs. Students Challenging Regulatory Agency Procedures,
10 412 U.S. 669 (1973), (SCRAP).

11 The Montana Environmental Policy Act (MEPA), §75-1-103
12 (3) MCA 1979, recognizes each citizens entitlement to a healthful
13 environment and the Montana Constitution Article II, §3, guarantees
14 the inalienable right to a "clean and healthful environment."
15 The policy enunciated in Sierra Club v. Morton, plus these
16 statutory and constitutional state rights clearly provide the
17 Plaintiffs civil rights which may form the basis for standing
18 as required by Stewart v. Bd. of Comm. The Defendants argue
19 that Kadillak, et al. v. The Anaconda Co., 36 St. Rptr. 1820,
20 _____ Mont. _____ (1979), eliminates this constitutional basis for
21 an environmental civil right; however, Kadillak is distinguish-
22 able from the factual situation confronting this Court. In
23 Kadillak, the Supreme Court was concerned with a conflict between
24 MEPA and the Hard Rock Mining Act, and the court determined
25 that this constitutional environmental right could not serve
26 to resolve the conflict in statutory schemes confronting it.
27 The Court did not, however, eliminate Article II, Section 3 as
28 a source for a substantive environmental civil right. Therefore,
29 Kadillak does not proscribe founding a civil right on Article
30 II Section 3 of the Montana Constitution.

31 Likewise, the Defendants urge that Professional Consultants
32 Inc. v. Board of County Commissioners of Ravalli County, 36
33 St. Rptr. 613, 592 P.2d 945 (1979), controls this standing
34 issue and that the Plaintiffs' failure to allege a property
35 interest denies standing to seek a mandamus. This argument

1 confuses the separate issues of standing to sue and the issues
2 of substantive relief sought by the Plaintiffs. Cf. Montana
3 Wilderness Association v. Board of Health and Environment,
4 171 Mont. 477, 559 P.2d 1157 (1976) (Dissent, Haswell, C.J.)
5 (Reversed on other grounds). Professional Consultants does
6 not, however, contain the analysis of standing most applicable
7 to environmental cases; rather, Montana Wilderness Association
8 (Beaver Creek I and Beaver Creek II's dissent) enunciates
9 the Montana test of standing for environmental cases. See,
10 Comments, The Montana Constitution: Taking New Rights Seriously,
11 39 Montana Law Review 225 (1978).

12 Chief Justice Haswell noted that the rights allegedly
13 violated in Beaver Creek I and II were "environmental interests"
14 within the "zone of interests" protected and regulated by MEPA.
15 MEPA is patterned after the National Environmental Policy Act
16 (NEPA), and it is, therefore, appropriate to consider federal
17 interpretations of NEPA when construing MEPA. Montana Wilderness
18 Association, 171 Mont. at 506, 559 P.2d at 1172. Accord, Kadillak,
19 36 St. Rptr. at 1826.

20 Satisfaction of the 'case or controversy' requirement for
21 standing assures the concrete adverseness necessary to illum-
22 inate these fundamental and difficult constitutional issues,
23 Duke Power Co., v. Carolina Environmental Study Group, Inc.,
24 438 U.S. 59, 72 (1978). These Plaintiffs by their very nature
25 and organization fulfill this requirement; in fact, as observed
26 in Montana Wilderness Association:

27 Finally, we reiterate these associations are citizen
28 groups seeking to compel a state agency to perform its
29 duties according to law . . . Were the Associations
30 denied access to the courts for the purpose of raising
31 the issue of illegal state action under MEPA, the fore-
32 going constitutional provisions would be rendered use-
less verbiage, stating rights without remedies, and
leaving the state with no checks on its powers and duties
under that act. The statutory functions of state
agencies under MEPA cannot be left unchecked simply
because the potential mischief of agency default
in its duties may affect the interests of citizens

1 without the Associations' membership. 171 Mont. at
2 499, 559 P.2d at 1168. (Dissent, Haswell, C.J.)

3 Although this declaration appears as a dissent in Beaver Creek
4 II, that dissent formed the majority opinion in Beaver Creek I
5 and reading these cases together clearly indicates that standing
6 was presumed upon the Supreme Court's reconsideration of this
7 case. Therefore, this dissenting statement regarding standing
8 remains the clearest indication of the standard for standing
9 to be applied in environmental cases.

10 Plaintiffs also allege violations of their rights to par-
11 ticipate in the decision-making process and to be informed of
12 pending state actions which may substantially affect the environ-
13 ment in addition to these previously described MEPA and constit-
14 utional rights. The primary purpose of an EIS is to inform the
15 public of environmental information relevant to possible state
16 actions. Natural Resources Defense Council v. Morton, 458 F.2d
17 827, 833 (D.C. Cir. 1972); Atchison Topeka & S.F. Ry. Co. v.
18 Callaway, 431 F. Supp. 722, 728 (D.C.C. 1974). If the Plaintiff
19 establishes sufficient geographical nexus, failure to prepare
20 an EIS constitutes sufficient "cause-in-fact" because it creates
21 the risk of serious environmental impacts being overlooked entirely.
22 City of Davis v. Coleman, 521 F.2d 661, 671 (9th Cir. 1975).

23 Plaintiffs demonstrate this geographical nexus by the allegations
24 of the complaint coupled with the affidavits of Berg and Gardner
25 which allege residence in Lewis and Clark County and the exist-
26 ence of uranium exploration permits and activities in that county.
27 Determination of the validity of their allegations must of course
28 be resolved at trial, but the allegations and supporting evidence
29 presented so far is sufficient to satisfy the Causation principle
30 enunciated in City of Davis. In environmental cases challenging
31 the failure to prepare an EIS, proof of actual damage should not
32 be required because such a requirement would "in essence be requir-
ing the plaintiff to conduct the same environmental investigation

1 that he seeks in his suit to compel the agency to undertake."
2 City of Davis v. Coleman, 521 F.2d at 670-671.

3 The allegations that uranium exploration may adversely
4 affect the environment must be taken as true in this motion to
5 dismiss, Fulton v. Farmers Union Grain Terminal Association, 140
6 Mont. 523, 374 P.2d 231 (1962). The allegations and affidavits
7 of Cunningham, Berg and Gardner as individuals and as members of
8 Plaintiff organizations provide the Associations standing to raise
9 issues affecting its members. Hunt v. Washington Apple Advertising
10 Commission, 432 U.S. 333, 342-343 (1977).

11 In addition, the Plaintiffs allege injury to their "informa-
12 tional interests," in Count V of the Complaint as distinct from
13 the injury suffered by its members as individuals. Informational
14 interests are judicially recognized, Scientists Institute for
15 Public Information v. Atomic Energy Commission, 481 F.2d 1079
16 (D.C. Cir. 1973), and are provided for by state administrative
17 regulations implementing MEPA, A.R.M. 26-2.2 (18)-P270. Failure
18 to prepare an EIS may cause "injury-in-fact" to an organization
19 dedicated to communication of environmental information to its
20 members concerning pending governmental actions which may have a
21 potential effect on the environmental because it frustrates
22 exercise of these informational interests.

23 A second requirement of standing is that a plaintiff have
24 more than a mere interest in the issues; that is, that his
25 interest be distinguishable from that of the general public.
26 Stewart, 34 St. Rptr. at 1597, 573 P.2d at 186; Sierra Club v.
27 Morton, 405 U.S. at 737. An interest may be widely held and
28 still not defeat standing, U.S. v. SCRAP, 412 U.S. 669, 687-88
29 (1973); Stewart, 34 St. Rptr. at 1597, 573 P.2d at 186 and mere
30 attenuation between the alleged failure to comply with NEPA and
31 a possible substantive injury will not defeat standing. City of
32 Davis v. Coleman, 521 F.2d at 671.

1 Plaintiffs and their members by affidavit allege more than
2 a "mere interest"; Dobson's and Perlmutter's affidavits concerning
3 their personal efforts to intervene in the decision-making process
4 prior to issuance of these disputed permits indicates a sufficient
5 interest to satisfy both the case and controversy requirement and
6 the distinguishable injury requirement.

7 Once the Plaintiffs achieve standing to challenge the fail-
8 ure to prepare both the regional and programmatic EISs, they have
9 standing to assert the inadequacies in the procedure for issuance
10 of the permits in Carter County, too. The absence of Plaintiff's
11 members actually living in Carter County is not determinative
12 on the issue of standing to challenge these permits; once stand-
13 ing has been conferred, a plaintiff may assert the public's inter-
14 est on related issues. In Sierra Club v. Morton, 405 U.S. 727,
15 737 (1972), the Court noted that "the fact of . . . injury is
16 what gives a person standing to seek judicial review. . . but
17 once review is properly invoked, that person may argue the public
18 interest in support of his claim that the agency has failed to
19 comply with its statutory mandate."

20 In fact, standing should not necessarily be denied as to
21 issues which are not expressly within the zone of interests of the
22 plaintiff, provided the plaintiff otherwise has standing. "An
23 interpretation that unnecessarily restricts the ability of plain-
24 tiff's properly before the court to challenge additional inade-
25 quacies in an environmental impact statement would be patently
26 inconsistent with the unequivocal legislative intent embodied
27 in NEPA that agencies comply with its requirements 'to the fullest
28 extent possible'." Sierra Club v. Adams, 578 F.2d 389, 393
29 (D.C. Cir. 1978). Additionally, judicial economy dictates that
30 because of the interrelationship of the EISs which conceivably
31 should have been prepared in this case prior to the decision to
32 issue permits be examined at one time, in one forum. The facts

1 and considerations relevant to determination whether a site-
2 specific or programmatic EIS was required will also be relevant
3 in determining whether an EIS on the site-specific permits drilling
4 should have been required. Consideration of these issues together
5 reduces the possibility of inconsistent judicial determinations
6 on these issues and provides the Supreme Court an opportunity
7 to consider these related issues together should an appeal be
8 taken.

9 2. The Defendants' second ground for dismissal is that the
10 Plaintiffs have failed to state a ground upon which mandamus
11 may be granted because of the absence of a clear legal duty
12 which the state Defendants must perform. This motion is con-
13 sidered as a response under M.R. Civ. P. 12(b)(6) and therefore,
14 all material allegations are considered to be true for the purposes
15 of ruling upon this motion. If the complaint states facts suffi-
16 cient to constitute a cause of action upon any theory, a motion
17 to dismiss must be rejected. Duffy v. Butte Teachers' Union,
18 #332, AFL-CIO, 168 Mont. 246, 253-254, 541 P.2d 1199 (1975);
19 Buttrell v. McBride Land & Livestock, 170 Mont. 296, 553 P.2d
20 407 (1976).

21 Section 27-26-102 MCA 1979, permits a district court to
22 issue a writ of mandamus to compel the performance of an act
23 the law enjoins as a duty in all cases in which there is not a
24 plain, speedy and adequate remedy in the ordinary course of law.
25 The Montana Supreme Court requires a Plaintiff to allege facts
26 indicating that the duty to be performed must be a "clear legal
27 duty." State ex rel. Lucier v. Murphy, 156 Mont. 186, 478 P.2d
28 273 (1970); State ex rel. State Tax Appeals Board v. Montana
29 Board of Personnel Appeals, ___ Mont. ___, 593 P.2d 747 (1979).

30 Kerr-McGee argues that the Plaintiff's failure to satisfy
31 this standard is conclusively shown by the mere fact that it
32 seeks a declaratory judgment; however, the Court finds a clear

1 legal duty exists upon the standard of review applicable to motions
2 to dismiss without necessarily deciding the declaratory judgment
3 issue. The complaint indicates that if all facts alleged are
4 proven, the existence of a legal duty to prepare an environmental
5 impact statement would be demonstrated because "potential signi-
6 ficant environmental impacts" exist. This preliminary decision
7 does not decide that such impacts, in fact, do exist, merely that
8 if the stated allegations are shown to be true, then, impacts
9 would be shown to exist. Determination of the accurateness of the
10 Plaintiff's allegations must await full trial. The Plaintiffs
11 argue that a "clear legal duty" to prepare an EIS arises from
12 the Preliminary Environmental Review (PER) which indicates that
13 a potentially significant environmental impact on groundwater
14 exists as a consequence of uranium prospecting drilling operations.

15 Government agencies must strictly comply with the procedural
16 requirements of NEPA with regards to the necessity of preparing
17 EISs and violation of these procedures constitutes grounds for
18 reversal of the agency action by the judiciary. Calvert Cliffs
19 Coordinating Committee v. A.E.C., 449 F.2d 1109, 1112 (D.C. Cir.
20 1971). NEPA imposes a duty to prepare an EIS prior to every
21 major action of state government "significantly affecting the
22 quality of the human environment." §75-1-201 (2)(c) MCA 1979.
23 The threshold decision whether to prepare an EIS is not solely
24 left to the discretion of the agency but is subject to judicial
25 review. Scherr v. Volpe, 336 F. Supp. 882, aff'd 446 F.2d 1027,
26 1032 (7th Cir. 1972). In fact, the courts have recognized that
27 an EIS is required if the government action "may cause a signifi-
28 cant degradation of some human environmental factor." City of
29 Davis v. Coleman, 521 F.2d 661, 673 (9th Cir. 1975). The thres-
30 hold decision as to what constitutes "significant degradation"
31 is low:

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1 Generally, the procedural requirement of SEPA, which
2 are merely designed to provide full environmental in-
3 formation, should be invoked whenever more than a
4 moderate effect on the quality of the environment is
a reasonable probability. Norway Hill Preservation
and Protection Ass'n, v. King City Council, 87 Wash.
2d 267, 552 P.2d 674, 680 (1976).

5 The state has adopted regulations implementing §75-1-201
6 (2)(c) to guide the determination whether an EIS should be
7 prepared. A Preliminary Environmental Reivew (PER) is authorized
8 by A.R.M. 26-2.2(18)-P 270(2): "If the PER shows a potential
9 significant effect on the human environment, an EIS shall be
10 prepared on that action." The plain meaning of this regulation
11 is that if the PER suggests a potential significant impact,
12 an EIS should be prepared; judicial determinations on this point
13 are in accord. See, e.g., City of Davis v. Coleman, 521 F.2d
14 661, 673 (1975).

15 The Department of State Lands prepared a PER on Kerr-McGee's
16 concentrated drilling permits and it indicated a potential sig-
17 nificant impact on groundwater. The appendices to the PER provide
18 limited basis for argument that the PER actually shows no potential
19 impact; in fact, the appendices indicated that if the plugging
20 procedures required by the permit are not totally effective a
21 significant decrease in artesian pressure within the acquifer is
22 possible and contamination could occur. Rather than indicating
23 the elimination of risk, the appendices indicated the existence
24 of a potential risk which could be explored by an EIS. A.R.M.
25 26.2.2(18)-P270(2) provides a clear legal duty to prepare an
26 EIS and, therefore, a mandamus properly could be issued to direct
27 preparation of an EIS. The deposition of Hemmer indicated possible
28 doubt as to the effectiveness of current plugging procedures which
29 an EIS could explore in more depth and accept as either accept-
30 able or unacceptable risks.

31 It must be stressed that the decision whether the Court shall
32 issue a mandamus is not decided hereby; rather, the possibility

1 for issuance of a mandamus exists and dismissal on this basis
2 is denied.

3 3. Arguments concerning the merits of in-situ mining oper-
4 ations and their potential effects on the environment fails to
5 raise issues ripe for judicial determination. The Plaintiffs'
6 complaint seems to recognize this difficulty by alleging that two
7 companies, Amoco and Frontier, may intend in the future to esta-
8 blish pilot in-situ processing plants. The evidence, however,
9 shows neither applications for permits have been received by the
10 state nor any concrete preparation which the state would be
11 authorized to regulate.

12 The Court declines to consider evidence directed at reso-
13 lution of issues involving in-situ mining operations at this time.
14 When, and if, this issue arises, the appropriate state agency
15 should be given the opportunity to exercise its expertise and
16 discretion prior to any judicial consideration of these issues.

17 4. A motion for a preliminary injunction should be granted
18 only where a petitioner carries his burden of proof for each of
19 these requirements:

20 (1) Will the petitioner suffer immediate and irreparable
21 injury in the absence of an injunction?

22 (2) Will the harm suffered by the petitioner in the
23 absence of an injunction outweigh the harm suffered
24 by the adverse party should an injunction issue?

25 (3) Has the petitioner shown a likelihood of prevailing
26 on the merits at trial?

27 A preliminary injunction is an extraordinary remedy and
28 the judiciary must be mindful not "to exercise equitable powers
29 loosely or casually whenever a claim of 'environmental damage'
30 is asserted." Aberdeen and Rockfish R.R. v. SCRAP, 409 U.S.
31 1207, 1217 (1972) (Burger, Circuit Justice). Plaintiff lists
32 numerous cases in which preliminary injunctions have been granted

1 in environmental cases, but this Court considers the determination
2 as one which must be grounded in the particular factual circum-
3 stances before the Court.

4 The Plaintiffs' evidentiary showing of a potential significant
5 environmental impact as a result of Kerr-McGee's exploration
6 drilling is insufficient to support a preliminary injunction.
7 Evidence relating to the potential impact of in-situ mining
8 is speculative as the Court is not confronted with determinations
9 on in-situ mining and, therefore, it cannot be considered in
10 ruling on this motion for a preliminary injunction.

11 Evidence presented by both parties indicated potential
12 impact only if one presumes that the plugging procedures required
13 by the Defendants will be inadequate and that there will be
14 migration of groundwater through these inadequately plugged ex-
15 ploration holes. The evidence thus far adduced for the purposes
16 of the preliminary injunction, however, does not indicate that
17 the procedures are defective, in fact or theory. In addition,
18 the Plaintiffs assume that state regulation is inadequate without
19 positive evidence to support their assumption.

20 Upon questioning by the Court, it was evident that no factual
21 basis exists at this time to hold that these prospecting holes
22 present an increased danger to ground water purity or artesian
23 pressure than may currently exist from gas or oil prospecting
24 holes.

25 Simply, the evidence presented demonstrates the basis of the
26 Plaintiffs concern and the necessity of a trial to resolve these
27 issues, but it does not justify granting the motion for a pre-
28 liminary injunction.

29 5. The alleged indispensable parties fall into two general
30 categories: (i) state agencies, and (ii) private companies involved
31 in the general field of uranium exploration.

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1 Dismissal of in-situ mining operations issues as not being
2 ripe for adjudication eliminates the potential private parties
3 to this suit. Consideration of the complaint indicates that this
4 case focuses on the alleged violations of law in awarding specific
5 permits to Kerr-McGee and not to other private parties. Therefore,
6 no other exploration parties are indispensable parties to this
7 action nor could they allege sufficient standing to intervene
8 even if they desired to do so.

9 Other state agencies are not indispensable parties because
10 only the current state Defendants have any authority to act on
11 the issues before the Court. Although other state agencies may
12 have eventual contact with these parties concerning these general
13 issues, their involvement would be a result of the requirements
14 of MEPA rather than as directly ruling on these contested permits.
15 Under MEPA their participation would be as consultants to the
16 current state Defendants on permits; additional action on their
17 part would involve distinct permits made to them and not be
18 directly involved with these disputed permits.

19 6. Upon reading the Montana Strip and Underground Mine
20 Reclamation Act and the complaint alleging its violation, the
21 Court rejects the characterization of Plaintiff's allegations
22 as a "misrepresentation." The Court considers such a character-
23 ization as implying an intent clearly not discernable from the
24 complaint. Different constructions of the law are the sum and
25 substance of the adversial system and should not be lightly
26 characterized as "misrepresentations."

27 II. ORDER

28 The Court grants the motion to dismiss as follows:

29 1. The Court grants dismissal of those portions of the
30 complaint which involve in-situ mining operations as failing
31 to establish an actual case or controversy.

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