

# STATE OF COLORADO

## DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

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**Date:** October 16, 2013

**To:** File

**From:** Marcia Talvitie *Marcia L. Talvitie*

**Subject:** Carbon Junction Mine, Permit No. C-1992-080  
Site Visit with Chi Chi Price (Oakridge Energy, Inc.); Permitting Update

John W. Hickenlooper  
Governor

Mike King  
Executive Director

Loretta E. Piñeda  
Director

At the request of Ms. Price, I met her at the mine site on the afternoon of October 15, 2013. We discussed a number of current and pending topics, which are itemized below.

### CV-2013-005 and TR-17

- TR-17 was submitted in response to abatement steps #1 and #2 by Goff Engineering and Surveying, Inc. (Goff). Once TR-17 has been approved and issued, construction of the repairs can commence. Below is a summary of the anticipated sequence of events.
- Goff submitted an adequacy response package for TR-17 on 10/15/2013. The Division will expedite its review these materials. If the issues have been satisfactorily addressed, the "proposed decision" will be issued as soon as possible. If issues remain, those comments will be provided to Oakridge/Goff for response.
- The Public Notice will be submitted to *The Durango Herald* at the time the Division issues its "proposed decision to approve" TR-17.
- "Issuance" follows a 10-day comment period that begins on the date the Division's public notice is published in the newspaper, assuming no objections are received.
- TR-17 must be formally "Issued" before work can begin.
- Abatement of steps #3 and #4 (field repairs) must be completed by 11/22/2013. The Division will be unable to extend the due date further.
- Ms. Price will be contacting Oakridge's reclamation contractor to give him the current plans for TR-17 and inform him of the project requirements.
- As of today's date, the "best case" scenario would allow work to begin in approximately two weeks.

### Permit Renewal No. 4 (RN-04)

- The Division issued a Preliminary Adequacy Review on 4/19/2013
- An adequacy response was received from Mike Savage on 8/30/2013

- I have conducted preliminary review of the response. Not all items have been satisfactorily addressed; a second adequacy review will be issued.
- The Decision date was previously extended to 9/30/2013. A new extension should be requested by Oakridge – perhaps to 11/30/2013?

#### **Surface Ownership**

- During 8/27/2013 assessment conference, Ms. Price had mentioned that Oakridge may be selling the property. Ms. Price said that there is still the potential for the property to be sold; nothing has been finalized, to date.
- We discussed the ramifications of a sale of the property: Oakridge will still be the permittee, unless a Succession of Operators is done, and new party posts a reclamation bond. Oakridge would need to retain right-of-entry for the permit area until final bond release has been granted.

#### **Other**

- I showed Ms. Price the damage to the reclaimed North Pit Haul Road (deep erosion in the hillside ditch and deposition of that material on the roadway surface) that occurred during the September monsoons. We discussed that the repairs might be efficiently accomplished this fall, while the reclamation contractor is on site for the Carbon Junction work. I explained that although the road is not used regularly, the Division would be unable to grant final bond release with the road in its current condition.
- We also visited the area of ponding that has been observed at the downstream end of the remnant East Collection Ditch, and discussed potential solutions to this site, including minor grading and conveying flow to the west side of the haul road.

Cc: Chi Chi Price, Oakridge Energy