STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

1313 Sherman St., Room 215 Denver, Colorado 80203 Phone: (303) 866-3567 FAX: (303) 832-8106



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Piñeda Director

November 4, 2013

Mr. Don Coram Gold Eagle Mining, Inc. P.O. Box 3007 Montrose, CO 81401

Re: Ellison Mine, Permit M-1978-342, Technical Revision TR-04, Technical Adequacy Review of Revision, Possible Need for Extension

Dear Mr. Coram,

The Division has been reviewing the above referenced Technical Revision for adequacy issues. Staff has received materials from the U.S. Department of Energy (DOE) and the general public regarding specific reclamation plan information, which pertains to the Burros Mine site. At this time, staff has not received further information from you, as the permittee, since your October 4, 2013, request for extension. Additional materials from DOE contain an updated seed mix that will be made part of this technical revision TR-04. As such, application of that seed mix will be required at the proper time during final reclamation. (Note: A copy of the required seed mix is attached to this letter, for your information.)

The technical revision application includes updated details to address current conditions and the lack of mining activities that had been anticipated when the original reclamation plans were approved. Staff notes these changes have a minor effect upon the currently approved reclamation permit and conform to the reclamation standards contained in Hard Rock and Metals Rule 3.

Listed below are specific details of the proposed plan which the Division is reviewing for sufficiency and adequacy.

- 1. Portal. The revision is to leave the lockable, steel portal grate in place, along with the arched steel portal cover, with no adit backfilling required.
- 2. Galvanized steel building. The building is intact and the revision is for the building to remain as a permanent structure.
- 3. Buried water tank. The revision is to leave the buried water tank in place, for later livestock use.
- 4. Steel "zircon" storage containers. The storage containers are modular, are not mounted on a foundation, and contain no contaminants. The revision is to leave one or both of them as permanent. The Division needs clarification as to the purpose for leaving them. Otherwise they need to be removed.

Page 1

Mr. Don Coram/M-1978-342/TR-04 November 4, 2013 Page 2

- 5. Stormwater berms. The revision is for the stormwater control berm along the crest of the waste rock pad to remain as a permanent structure on the site. However, some remedial earthwork must be performed before the Division can approve the berm to be permanent. Please provide an updated "Exhibit E Reclamation Map" showing the location of this feature.
- 6. Grading and sloping. This will involve reducing the out slope of the waste rock pad, reconstruction of the stormwater control berm, and the respreading of topsoil. Please also include on the updated "Exhibit E Reclamation Map" referenced above, the details of which areas will be sloped and graded to meet the reclamation requirements of maximum 3H:1V slopes.
- 7. Revegetation. The DOE-required seed mix, which will become part of your reclamation plan, is discussed above. However, the amount of land area to be revegetated is not defined in the TR-06, and it should be. Therefore, please show the areas to be revegetated within the permit area by including that on the updated "Exhibit E Reclamation Map" referenced above.
- 8. The proposed reclamation schedule is not in conformance with Division requirements nor your commitment. Per the previously-arranged reclamation schedule, included in your last inspection report, your earthwork and seeding must be completed by May 31, 2014.

The Division's current decision date for the TR-04 was extended to November 6, 2013. Since it is not possible for your responses to be received by the Division in advance of that date, an extension of the decision date must be requested. Please contact this office promptly to discuss an extended date.

As usual, we request that you please provide two complete sets of the response materials. As a reminder, all maps and diagrams must be signed and dated. All hard copy sets of materials should be mailed to the Division's main office in Denver at 1313 Sherman St., Room 215, Denver, CO 80203.

If there are questions, please contact me at the Division's Durango Field Office: telephone 970-247-5193, or by e-mail at bob.oswald@state.co.us.

Sincerely,

Bob Oswald

Environmental Protection Specialist

Encl: Updated DOE seed mix

Ec: Russ Means, DRMS, Grand Junction

Tony Waldron, DRMS, Denver Ed Cotter, U.S. DOE, Grand Junction

(c:\13-11 docs\Ellison TR-04 adg/rco)

URANIUM LEASING SITES

Reseeding Specifications

The following seed mixture was developed, in consultation with U.S. Bureau of Land Management, and is generally approved for use within the Slick Rock, Naturita, Uravan, and Gateway, Colorado, areas. Seed selection criteria were based on climate and elevation ranges within these areas. Recognizing that surface soil conditions, nutrients, and available moisture can vary within these areas, successful establishment of six or more of the twelve species is considered adequate. If the total number of species seeded is less than that specified below, the seeding rates for the individual species must be adjusted accordingly. All seed tags must be submitted to DOE for verification prior to the seeding application.

Species		Broadcast
Scientific Name	Common Name	Application Rate (lbs. PLS/ acre)
Pascopyrum smithii	Arriba western wheatgrass	4.0
Elymus trachycaulus ssp. trachycaulus	Slender wheatgrass	2.0
Oryzopsis hymenoides	Paloma Indian ricegrass	4.0
Bouteloua gracilis	Hachita blue grama	2.0
Hilaria jamesii (florets)	Galleta grass	2.0
Stipa comata	Needleandthread grass	1.0
Stipa viridula	Lodorm green needlegrass	2.0
Linum lewisii	Lewis flax	1.0
Penstemon palmeri	Cedar Palmer penstemon	0.5
Sphaeralcea coccinea <u>or</u> Sphaeralcea parvifolia	Scarlet or Parvifolia globemallow	0.3
Atriplex canescens	Rincon fourwing saltbush	3.0
Ceratoides lanata	Winterfat	1.0
Total pounds per acre		22.8

Seed shall be broadcast at the specified application rate and covered (except "pocked" surfaces) using a drag bar, chain link, or packer wheels. If seed is drilled, use one-half (½) the broadcast rate.

Seeding shall be performed during one of the following time periods:

- For best results, between October 15 and consistent ground freeze; or
- Between August 1 and August 31.

Revegetation efforts on the disturbed areas will be considered satisfactory when:

- Soil erosion resulting from the operation has been stabilized; and
- A vegetative cover at least equal to that present prior to the disturbance and a plant species composition at least as desirable as that present prior to the disturbance has been established.