

STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

1313 Sherman St., Room 215

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John W. Hickenlooper
Governor

Mike King
Executive Director

Loretta Pineda
Director

November 8, 2013

Glen Williams
Cotter Corp.
P.O. Box 700
Nucla, CO 81424

RE: JD-9 Mine, File No. M-1977-306, Amendment (AM1) Third Adequacy Review

Dear Mr. Williams:

The Division of Reclamation, Mining and Safety (DRMS) is in the process of reviewing the above referenced application in order to ensure that it satisfies the requirements of the *Colorado Mined Land Reclamation Act* (Act) and the associated *Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for Hard Rock, Metal, and Designated Mining Operations* (Rules). During review of the material submitted, the Division determined that the following issue(s) shall be adequately addressed before the application can be considered for approval.

Exhibit D

1. On page D-7 under item b., it is stated "During reclamation of the pad, the compacted clay will also be removed and placed inside the mine." Please specify the location inside the mine the clay will be placed. Also, will any mine water come in contact at the proposed final placement of the clay?
 - The August 2, 2013 response states that waste rock will be placed in a portal above the above the portal spring. Will the proposed placement of the waste rock have any potential to degrade the portal spring water quality?

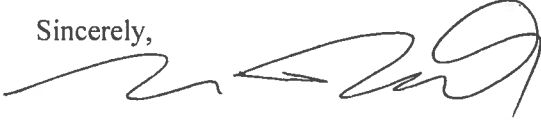
Exhibit U

2. Addressing Rule 6.4.21(12), on page U-22, the EPP states that the JD-9 Mine will not have any adverse effect on any surface waters; thus it is not necessary at this time to implement a monitoring plan. Rule 6.4.21(12) applies to both surface and ground water. Since groundwater has been encountered during mining, a minimum of three monitoring wells shall be installed an up gradient well, a down gradient well and a point of compliance well. The location of the point of compliance must be approved by the Division prior to installation. Also, subject to Division approval, a sampling and analysis plan shall be implemented in accordance with Rule 6.4.21(12) and Rule 3.1.7, regardless of the results of the chemical analysis. Please commit to the installation of the mentioned wells and please submit a sampling and analysis plan for review.
 - The response submitted on August 2, 2013 did not include "Attachment #3". Please provide the maps and the water sampling and analysis plan.

Please submit your response(s) to the above listed issue(s) by November 22, 2013, in order to allow the Division sufficient time for review prior to the January 8, 2014 decision date. If additional time is required to respond to the issues a request to extend the decision date must be submitted no later than November 22, 2013 or the application may be denied. The Division will continue to review your application and will contact you if additional information is needed.

If you require additional information or have questions or concerns, please contact me at the DRMS Grand Junction Field Office at phone no. (970) 241-2042.

Sincerely,

A handwritten signature in black ink, appearing to read 'Travis Marshall', with a stylized, flowing script.

Travis Marshall
Environmental Protection Specialist

cc: Russ Means, DRMS

Ed Cotter
U.S. Department of Energy
2597 Legacy Way
Grand Junction, CO 81503