

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

DIVISION OF RECLAMATION
MINING AND SAFETY

NOV 27 2013

RECEIVED



John W. Hickenlooper
Governor

Mike King
Executive Director

Loretta E. Piñeda
Director

November 18, 2013

Scott West
Steel Rose I, Inc.
802 3rd Street
Colorado Springs, CO 80907

RE: Steel Rose 1; DRMS File No. M-2006-031; Consent Agenda Summary Form

Dear Mr. West,

Enclosed you will find the Staff Summary Form for the Consent Agenda item for the possible violation found at the Steel Rose 1 mine site. As we discussed, if you do not wish to contest the violation, please sign and notarize the enclosed form and return the signed original copy no later than **November 29th, 2013**.

Please review the Consent Agenda Summary Form. If you wish to proceed with a hearing in order to address the Board, please let me know as soon as possible so a hearing can be scheduled for the December 11-12, 2013 Board meeting.

If you have any questions, please contact me at (303)866-3567 x8116.

Sincerely,

Michael A. Cunningham
Environmental Protection Specialist

Certified Mail No. **7011 3500 0002 9607 5202**
Return Receipt Requested

Enclosure: *Staff Summary Form for the Consent Agenda Items; Steel Rose 1; DRMS File No. M-2006-031*

CC: Tom Kaldenbach, DRMS

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STAFF SUMMARY FORM FOR CONSENT AGENDA ITEMS

<u>Date</u>	November 18, 2013	<u>Operator</u>	Steel Rose I, Inc.
<u>Permit No.</u>	M-2006-031	<u>Site Name</u>	Steel Rose 1
<u>Specialist</u>	Michael Cunningham	<u>Objecting Party</u>	N/A

Action:

☐ Permit application with objections

☒ Violation

☐ Extension of Board-ordered deadline

☐ Other

Resolution:

NATURE OF VIOLATION:

This item is in regards to a Notice of a Possible Violation, Cease and Desist Order, corrective actions and civil penalties for a possible violation of C.R.S. 34-32-116 (7)(h) for failure to protect areas from slides or other damage occurring during the mining operation or reclamation.

CHRONOLOGY:

August 7, 2013 – The Division conducted a regular monitoring inspection of the site and surveyed the location of the boundary markers using a Trimble GPS unit. The Division determined that the boundary markers delineated an area of 5.08 acres; the Steel Rose 1 mine is permitted for 3.39 acres of disturbance. During this inspection the affected area was surveyed and was determined to be 3.39 acres in size. The Division cited a problem for having the boundary markers incorrectly located. The Operator was required to survey and replace the boundary markers in the correct location.

October 23, 2013 – The Division conducted a follow-up inspection to verify that the boundary markers had been placed in the correct location. The Division surveyed the new locations of the boundary markers and determined that they were placed in the correct location. In addition, it was determined that 1.04 acres of the affected area was outside of the approved permit boundary.

November 4th, 2013 – The Division sent the operator a copy of the inspection report.

November 4th, 2013 – The Division sent the Operator a Notice of Possible Violation for failure to obtain from the board or office a reclamation permit prior to engaging in a new mining operation.

REASON FOR VIOLATION:

The Operator has affected approximately 1.04 acres outside of the permit boundary. It is the Operator's responsibility to protect areas outside of the affected land from slide or damages occurring during the mining and reclamation operation in accordance with C.R.S. 34-32-116 (7) (h).

STAFF RECOMMENDATION:

Violation:

Find a violation of C.R.S. 34-32-116 (7)(h) for failure to protect areas from slides or other damage occurring during the mining operation or reclamation.

Cease and Desist Order:

Issue a cease and desist order for all lands affected outside of the approved permit boundary until all required corrective actions are completed.

Corrective Action(s):

Require the Operator to submit an Amendment Application to modify the permit/affected area to incorporate the entire disturbed area. The Operator shall submit an Amendment Application within 60 days, with all material in an approvable form within 120 days of the signature date of the Board Order.

Civil Penalty:


For a violation of C.R.S. 34-32-116 (7)(h), a Civil Penalty may be assessed at a rate of \$1,000.00 to \$5,000.00 for each day of violation. In this case, there are 50 days of violation (from the date of Inspection on October 23th, 2013 to the December 11th, 2013 Board Meeting).

The Division will assess a civil penalty of \$1,000.00 per day of violation for 50 days. For a civil penalty amount of \$50,000.00 with all but \$500.00 suspended if the Operator complies with the corrective action. If the Operator does not comply with the corrective action, then a civil penalty in the amount of \$2,500 shall be due and payable.

Payment of the un-suspended portion (\$500) of the civil penalties is due within 30 days of the mailing date of the Board Order.

Operator(s) Signature:

By signing this, the Operator agrees to comply with the Corrective Action(s) outlined above on the Staff Summary Form for Consent Agenda Items.

 11/22/13
Operator Signature Date


Notary Public

My Commission expires: 10/17/19

