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

January 16, 2014

James B. Woodward P.O. Box 599 Wellington, CO 80549

COLORADO DIVISION OF RECLAMATION MINING <u>—&</u> SAFETY

John W. Hickenlooper Governor

Mike King Executive Director

Loretta Piñeda Director

Re: October Ore Pile, 110d Permit No. M-2008-050, Environmental Protection Plan

Dear Mr. Woodward:

On December 18, 2013 the Division of Reclamation, Mining and Safety (Division) received your letter regarding the recent notification of the end of Temporary Cessation submitted by Nuvemco, LLC (Operator) and whether or not the permit issued included an Environmental Protection Plan (EPP). The application submitted by the Operator on July 14, 2008 included an EPP. Division staff reviewed the application and determined that the level of the EPP met the requirements of the Rules and Act for Hard Rock, Metals and Designated Mining Operations based on the proposed and approved activities within the permit area. The EPP employs Best Management Practices (BMPs) for storm water controls and dust control while loading operations are conducted. These plans have the support of the Bureau of Land Management who are the federal land managers of the area. No changes to the originally approved activity have occurred since the permit was issued therefore no change in the mine plan, reclamation plan or EPP is required at this time.

The Division is aware of the removal and shipment of low grade ore that occurred in 2013. The recent removal of low grade ore is within the scope of the originally approved permit which only allows for removal of an existing stockpile of low grade ore that has been at the site since the mid 1970's. No other mining activities other than removal of the low grade ore stockpiled at the site are allowed. The site was inspected prior to the removal of the stockpiled material on August 13, 2013 and compliance with all approved plans was observed. The site is scheduled to be inspected in early 2014, as soon as weather and conditions allow access to the site, to monitor for continued compliance.

If you need additional information, please contact me at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 S. 3rd St., Suite 301, Grand Junction, Colorado 81501, telephone no. (970) 241-2042.

Sincerely.

Travis Marshall Environmental Protection Specialist

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cc: Loretta Pineda, DRMS Russ Means, DRMS

Paul Szilagyi Nuvemco, LLC P.O. Box 1120 Broomfield, CO 80038