



**COLORADO**  
Division of Reclamation,  
Mining and Safety  
Department of Natural Resources

1313 Sherman Street, Room 215  
Denver, CO 80203

April 29, 2014

Joseph M. Giraudo  
Homestake Mining Company  
460 West 50 North, Suite 500  
Salt Lake City, UT 84101

Re: Pitch Mine, Permit M-1977-004, Comments Regarding 2013 Annual Reclamation Report

Dear Mr. Giraudo,

The Division has reviewed the 2013 reclamation report for the Pitch Mine, which was recently received by our office. As usual it is well presented and thorough, which is appreciated by the Division's staff. We would like to discuss a few items mentioned in the report, as shown in the following paragraphs. Although no replacement report is required, please respond to or acknowledge all items below.

The permit number assigned to the Pitch Mine is M-1977-004, although it appears in several variations in the report. For future years, in the annual reclamation report as well as in other correspondence, it will help to have the permit number presented in a uniform manner.

In Section 4.1, regarding Slope Movement (page 20), it is stated that there was no detectable slope displacement of the North Pit slopes in 2013. The Division is pleased to learn of this. Although it may be partly attributable to low snowpack during recent winters, the Division agrees with Homestake that it is also due to the regrading and drainage work performed at the site. Detectable slope movement has decreased during the last two decades, and finally reaching a point of no measurable movement represents significant improvement in geotechnical stability. The Division wishes to stress to the operator that (1) annual monitoring will be required as long as the permit is still in place, and (2) further earthwork for drainage control will be needed on and above the moving slopes, particularly in the land exchange areas. Please comment.

Section 4.2 (page 20) discusses the inclinometers that are installed and regularly monitored at the site. There appears to be a few typos in the discussion of them. The naming protocol for the inclinometers onsite is to employ the letter "I" (for "inclinometer") before the numbers for the year and sequence. In the first and second paragraphs, references to the slope inclinometers therefore should appear as "I98-1," "I98-2" and "I98-3" (instead of "198-1," "198-2" and "198-3"). Interestingly, references to these three inclinometers are correct in the third paragraph. Please correct these typos for future reports.

Figure 3, Updated Monitoring Locations, contains the same incorrect labeling of I98-1 and I98-2; these should be corrected on future submittals. The figure does not, however, show I98-3 or I94-1; those should be added if appropriate.

The land exchange with the U.S. Forest Service, discussed under Land Ownership in Section 7 (page 28) states that it was completed in January 2014. This marks a large step forward, toward Homestake's



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ability to perform effective and lasting reclamation earthwork, especially of the uppermost east wall of the North Pit.

The future reclamation work in this area that is now being contemplated will require a revision, at least, of the reclamation plan. The Division looks forward to reviewing Homestake's revision of its current reclamation plan. The land exchange (Tract 38") included areas that are not inside the permit boundary. As a reminder, any reclamation that is planned must be within the permitted area boundary. Please contact this office if there are any questions about this permit revision.

Thank you again for the annual reclamation report. If there are questions I may be reached by phone at 970-247-5193 or 303-866-3567 ext 8175, or by email at [bob.oswald@state.co.us](mailto:bob.oswald@state.co.us).

Sincerely,

A handwritten signature in black ink, appearing to read "Bob Oswald", with a stylized flourish at the end.

Bob Oswald

Environmental Protection Specialist

Ec: Russ Means, DRMS, Grand Junction  
Dale Davis, Pitch Reclamation Office, Sargents