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

May 14, 2014



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Piñeda Director

Mr. Rory Williams Star Mine Operations, LLC 1675 Larimer Street, Suite 820 Denver, CO 80202

Re: Revenue Mine, Permit No. M-2012-032, Technical Revision Approval, Revision No. TR-03

Dear Mr. Williams,

On May 14, 2014 the Division of Reclamation, Mining and Safety approved the Technical Revision application submitted to the Division on May 7, 2014, addressing the following:

Revising the groundwater monitoring well plans, to include three additional wells, for a total of six wells.

The terms of the Technical Revision No. 3 approved by the Division are hereby incorporated into Permit No. M-2012-032. All other conditions and requirements of Permit No. M-2012-032 remain in full force and effect.

The six monitoring wells approved under this technical revision constitute an addition to the reclamation liability for this permit. Normally the Division would inform the operator that posting additional bond is required before the revision becomes effective. However, the approval of Technical Revision TR-02 in April 2014 constituted a large decrease of the reclamation liability due to the reduction in the Atlas waste rock and tailings disposal area. No bond reduction was requested by the operator.

Current reviews of the reclamation liability estimate, updated for TR-02 and for TR-03, reveals that the required bond is still less than the current financial warranty being held by the Division for this operation (corporate surety no. 1060997, in the amount of \$277,078.00). Therefore, no additional bond is required, and as such, the revision has become final and operations may proceed.

The monitoring wells are considered to be Environmental Protection Facilities (EPFs) in the existing Environmental Protection Plan, and as such, the operator must ensure that the wells are installed according to the approved plan, and that engineering certification is submitted to the Division for the installation. If changes to this approved plan are found to be necessary, such changes must be provided to the Division, and approval given, before proceeding.

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If possible, the Division wishes to observe some of the drilling and installation activities. Please contact me in regard to the scheduling of these activities, so that Division staff may be present.

If you have any questions, please contact me, by phone: 970-247-5193 (or 303-866-3567 ext 8175), or by email: <u>bob.oswald@state.co.us</u>.

Sincerely,

306 Amril

Bob Oswald Environmental Protection Specialist

Ec: Russ Means, DRMS, Grand Junction Greg Lewicki and Assoc.

(c:\14-05 docs\Revenue TR-03 Approved/rco)