



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

December 2, 2015

David McHugh
5653 FM 256 West
Colmesneil, TX 75938

RE: Need for State Reclamation Permit, Puma City Mine, File No. M-2015-043

Dear Mr. McHugh:

On October 29, 2015, the Division of Reclamation, Mining and Safety (Division) received your correspondence, dated October 29, 2015, responding to the Division's inquiry, RE: "Is It Mining". The Division has assigned file number M-2015-043 to this project. Please display the file number on any correspondence regarding this specific project.

The information you provided indicates approximately 10 cubic yards of historic tailings will be removed per year from public lands located in Park County, the Puma City Mine. The project is subject to the approval of a Plan of Operations for Mining Activities on National Forest System Lands, under review by the US Forest Service. The excavated materials will be removed from site, to an undisclosed location, for metallurgical processing with the intent to extract gold.

The Colorado Mined Land Reclamation Board (Board) has requested the Division make preliminary determinations regarding the need for a mined land reclamation permit. Based on the information provided in your response, it is the Division's opinion that the proposed project is a mining operation. Pursuant to Colorado law, you are required to first obtain a mined land reclamation permit from the Board prior to initiating the mining operation. If you disagree with the Division's determination you may petition the Board for a declaratory order whereby you may obtain an exemption from permit requirements. Such request must be made in writing and must be received no later than ten days prior to a regularly scheduled Board meeting. The next available Board meeting is scheduled for December 16 - 17, 2015.

If you have any questions please contact me at (303) 866-3567 extension 8176, otherwise we look forward to working with you through the permitting process.

Sincerely,

Wallace H. Erickson
Senior Environmental Protection Specialist

