

July 13, 2016

Peter Freedman  
AuPt Industries LLC  
PO Box 1424  
Edwards, CO 81632



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

1313 Sherman Street, Room 215  
Denver, CO 80203

***Re: West Side Placer Bulk Sample, File No. P-2016-015, Receipt of Notice of Intent to Conduct Prospecting Operations for Hard Rock / Metals Mines Application Package***

Dear Mr. Freedman:

On Tuesday, July 12, 2016, the Division of Reclamation, Mining and Safety filed your Notice of Intent to Conduct Prospecting Operations for Hard Rock / Metal Mines Application package for the West Side Placer Bulk Sample, File No. P-2016-015 located in Moffat County. The decision date for your application is scheduled for September 12, 2016.

Please complete the attached financial warranty documents and return them to Barbora Coria at the Divisions Denver Office. If you have additional questions regarding completion, execution and/or submittal of financial warranty forms please contact Barbora directly at 303.866.3567, ext. 8148.

1. One Site Prospecting Financial Warranty on Bureau of Land Management Land Check for Deposit in state Treasury
  - The Division is aware that the site is on State Land Board land, the BLM form is the document for all public land financial warranties
  - Since you wrote a personal check the W-9 needs to be for yourself (Peter Freedman)
2. Documentation of legal Authority to Execute Financial Warranty Documents

The Division has reviewed the revised application materials that were submitted on July 11, 2016. During review of the material submitted, the Division has identified additional adequacy issues that must be addressed before the application can be considered for approval.

1. The Division needs additional information for your water well.
  - a. Please provide a well diagram and/or a well application for that has key information such necessary for bonding; total depth, casing type and depth, diameter of borehole, and backfill material used, perforated/ripped intervals, etc.
  - b. Will the well be plugged once prospecting operations have concluded? The State Land Board must sign off on keeping the well post-prospecting. If not how will the well be plugged? Must comply with Rule 5.4
2. If broadcast or hand seeding methods will be employed the Division will require you to double your seeding rate for a total of 9 PLS/acre. Please state that the rate will be doubled for all methods other than drill seeding.
3. The Division does not have cost data for purple three awn in our database. Please either provide the Division with the PLS/acre cost for that species. Or select another species such as blue grama, western wheatgrass, scarlet globemallow, Indian ricegrass, etc.



4. Provide proof that the Board of County Commissioners was notified of your activities Per 5.1.2(m).
5. Once the adequacy information is reviewed by the Division a determinate if the \$2000 currently held by the Division is adequate or if additional bonding is necessary. If the Division deems necessary the additional bond amount must be posted by the 60 day deficiency deadline (September 12, 2016). The Division cannot accurately calculated the estimated liability without the well information.

Please submit your response(s) to the above listed issue(s) by Monday, August 08, 2016 in order to allow the Division sufficient time for review.

This letter shall not be construed to mean that there are no other technical deficiencies in your application. The Division will review your application to determine whether it is adequate to meet the requirements of the Act after submittal of all required items.

If you require additional information, or have questions or concerns, please feel free to contact me. Amy Yeldell at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 970-254-8511 or via email at amy.yeldell@state.co.us

Sincerely,



**Amy Yeldell**

Environmental Protection Specialist  
Department of Natural Resources  
Division of Reclamation, Mining and Safety  
Phone: (970) 254-8511  
Fax: (970) 241-1516

Cc:  
Russ Means, Senior EPS, Grand Junction DRMS