



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

DATE: January 9, 2016

TO: Wildcat Mining Corporation
Attn: George Robinson
3926 North State Hwy 67
Sedalia, CO 80135

RE: Findings of Fact, Conclusions of Law and Order
Wildcat Mining Corporation

File No. M-1981-185

On January 9, 2017 the Mined Land Reclamation Board signed the enclosed Board Order for the above captioned operation. We advise that you read this document carefully.

Sincerely,


Camille Mojar
Board Secretary

Enclosure(s)

Certified Mail

7014 2120 0001 7885 6774

7014 2120 0001 7855 6743
Cc's

Tony Waldron
Russ Means
Lucas West
John Roberts
Jeff Fugate
George Robinson
Chris Neumann



**BEFORE THE MINED LAND RECLAMATION BOARD
STATE OF COLORADO**

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

**IN THE MATTER OF THE REQUEST FOR REINSTATEMENT BY WILDCAT MINING
CORPORATION, File No. M-1981-185**

THIS MATTER came before the Mined Land Reclamation Board ("Board") on December 15, 2016, in Denver, Colorado for a hearing to consider the request of Wildcat Mining Corporation ("Operator") to reinstate permit number M-1981-085. First Assistant Attorney General Jeff Fugate, Lucas West, Russ Means, and Tony Waldron appeared on behalf of the Division of Reclamation, Mining and Safety ("Division"). Chris Neumann, Esq. and George Robinson appeared on behalf of the Operator.

The Board, having considered the presentations of the parties and being fully informed of the facts in this matter, hereby enters the following:

FINDINGS OF FACT

- 1. Operator holds a 112d-1 reclamation permit for a gold and silver operation known as the May Day Idaho Complex, located in Section 28, Township 36 North, Range 11 West, 10th Principal Meridian in La Plata County, Colorado.**
- 2. At its regular meeting on December 16, 2015, the Board held an enforcement hearing to consider a possible violation by Operator, civil penalties, permit revocation, and forfeiture of financial warranty for failure to comply with the conditions of a Board order, permit number M-1981-185. The Board tabled the matter to its January 27, 2016, regular meeting for the stated purpose of allowing Operator an opportunity to prepare a response to the Board's inquiry into Operator's financial ability to complete corrective actions and progress toward completing the corrective actions.**
- 3. At its regular meeting on January 27, 2016, the Board held an enforcement hearing to consider Operator's financial ability to complete the corrective actions ordered by the Board in its order effective December 12, 2011, ("December 2011 Order"), its February 21, 2014 Order, and Operator's progress toward completion of the corrective actions. During the January 27, 2016, hearing the parties presented an agreement for settlement of this matter, which the Board approved.**
- 4. The Board issued an order dated March 3, 2016 ("March 2016 Order"). In the March 2016 Order, the Board found that the Operator was in violation of section 34-32-124(6)(a), C.R.S. for failure to comply with the conditions of its permit by failing to comply with the conditions of a Board order, specifically the Board order signed and effective February 21, 2014, requiring Operator to complete all outstanding corrective actions set forth in the December 2011 Order. The Board ordered that the Operator commence repair**

and stabilization related to all outstanding corrective actions as set forth in the December 2011 Order no later than May 15, 2016. Required work specifically included the following tasks reflected in paragraphs 2, 3, and 4 of the December 2011 Order:

- May Day 1 portal stabilization and maintenance;
- stabilization of the Chief Portal and the access road immediately above;
- reclamation of Little Deadwood Gulch at the May Day 2 and Chief Portal; and
- initiate all water quality characterization, monitoring and reporting as required under Rule 6.4.21(8), (9) and (11) for a Designated Mining Operation.

5. The Board's March 2016 Order also required water quality characterization sampling to begin no later than June 15, 2016, with the first quarter report due to the Division within 30 days of receipt of analytical data reports. The Board ordered that Operator complete the required work outlined above in paragraph 3 and set forth in the December 2011 Order no later than July 1, 2016.

6. On June 10, 2016, the Division received a written request from the Operator to be added to the Board's June 22, 2016, Board meeting agenda so that Operator could request that the Board grant additional time to comply with the corrective action in the March 2016 Order.

7. At a hearing during the Board's June 22, 2016 meeting, the Operator requested an extension until October 15, 2016, to complete all required corrective action in the March 2016 Order. As grounds for the extension the Operator testified that the U.S. Army Corps of Engineers requires a study before granting the Operator a permit for a culvert that is needed as part of the reclamation of Little Deadwood Gulch at the May Day 2 and Chief Portal. The Division objected to the extent of the request and argued that the extension should be limited to the deadline for the Operator to complete reclamation of Little Deadwood Gulch. The Division argued that the study required by the U.S. Army Corps of Engineers does not impact the Operator's ability to complete the remaining required corrective actions.

8. The Board granted the Operator's request for an extension of the deadline to complete the work required for the reclamation of Little Deadwood Gulch at the May Day 2 and Chief Portal to October 15, 2016, with all other work due to be completed by the original deadline of July 1, 2016.

9. On November 23, 2016, the Operator, through counsel, submitted a letter to the Division and the Board requesting reinstatement of permit number M-1981-185.

10. The Operator has completed the corrective actions set forth in the March 2016 Order.

11. The Operator has failed to complete corrective action numbers 4, 5, 6, and 7 set forth in the December 2011 Order.

12. The Division did not object to reinstatement of permit number M-1981-185, provided that the Board affirm that no mining activities may occur at the site until corrective action numbers 4-7 of the December 2011 Order are completed within a reasonable time to the satisfaction of the Division or the Board.

CONCLUSIONS OF LAW

13. The Board has jurisdiction over this matter pursuant to the Colorado Mined Land Reclamation Act, Article 32 of Title 34, C.R.S. (2016).

ORDER

Based on the foregoing findings of fact and conclusions of law, the Board orders as follows:

The Board hereby GRANTS the Operator's request to reinstate permit number M-1981-185. The Board further ORDERS that no mining activities may occur at the May Day Idaho Complex until corrective action numbers 4, 5, 6, and 7 of the December 2011 are completed to the satisfaction of the Division or the Board.

The Board ORDERS the Operator to, within one hundred eighty days of the effective date of this order, submit a complete permit amendment application that addresses, and demonstrates compliance with, all outstanding corrective actions, specifically including corrective action numbers 4, 5, 6, and 7 of the December 2011 Order.

DONE AND ORDERED this 9 day of January, 2017.

FOR THE COLORADO MINED LAND
RECLAMATION BOARD


Thomas Brubaker, Chair

NOTICE OF APPEAL RIGHTS

This order becomes effective and final upon mailing. Any party adversely affected or aggrieved by agency action may commence an action for judicial review by filing a notice of appeal with the district court within thirty-five (35) days after the effective date of this

order, pursuant to section 24-4-106, C.R.S. (2016). In the event that an appeal is filed, designations of record made in accordance with section 24-4-106(6), C.R.S. should be served on the Board at: 1313 Sherman Street, Room 215, Denver, CO 80203, Attention: Camie Mojar

CERTIFICATE OF SERVICE

This is to certify that I have duly served the within FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND ORDER upon all parties herein by depositing copies
of same in the United States mail, first-class postage prepaid, at Denver, Colorado,
this 9th day of January 2017 addressed as follows:

By certified mail to:

7014 2120 0001 7885 6794

Wildcat Mining Corporation
Attn: George Robinson
3926 North State Hwy 67
Sedalia, CO 80135

7014 2120 0001 7885 6743

Chris Neumann
Greenberg Traurig, LLP
1200 17th Street, Suite 2400
Denver, CO 80202

By electronic mail to:

Tony Waldron
Division of Reclamation, Mining & Safety
1313 Sherman Street, Room 215
Denver, Colorado 80203

Russ Means and Lucas West
101 South 3rd, Suite 301
Grand Junction, CO 81501

By electronic mail to:

John J. Roberts
First Assistant Attorney General
Department of Law
Business and Licensing Section
Ralph L. Carr Colorado Judicial Center
1300 Broadway, 10th floor
Denver, CO 80203

Jeff Fugate
First Assistant Attorney General
Department of Law
Natural Resources & Environment
Section
Ralph L. Carr Colorado Judicial Center
1300 Broadway, 10th floor
Denver, CO 80203



Camille Mojar, Board Secretary