

Environment, Inc.

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FOUNDER

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January 29, 2007

Division of Reclamation, Mining & Safety
Mr. Carl B. Mount
Senior Environmental Protection Specialist
1313 Sherman St., Room 215
Denver, CO 80203

RECEIVED

JAN 29 2007

Division of Reclamation,
Mining and Safety

Dear Carl;

RE: Is it Mining

On behalf of my client the Albert & Mary Jane Frei Irrevocable Trust I am requesting the Division make a determination as to whether their proposed project will require a Mined Land Reclamation Board permit. The project involves placing approximately five million yards of fill material into a ephemeral draw to create a level area for future development. The source of the fill will be from the Albert Frei and Sons, Inc., Walstrum Quarry that lies adjacent to the project area. The quarry operators will be delivering, placing and compacting the fill material as it becomes available. The Vicinity Map enclosed shows location of the fill area and its relationship with the mine area.

Below I have addressed the 17 questions in your "Is It Mining" letter.

1. Please give the legal location of the proposed project and submit a site map that clearly delineates the location of the proposed extraction site and the location of the nearest city, town, and county location name.

This is a fill project where no extraction will take place. The project covers 53.0 acres in the NW $\frac{1}{4}$ of Section 35, T-3-S, R-72-W, 6th P.M., Gilpin County Colorado. The nearest town is Idaho Springs approximately 5.0 miles west of the site. See the attached Vicinity Map.

2. Is the site of material extraction public or privately owned property?

There will be no extraction on the site. The site is privately owned by the Albert & Mary Jane Frei Irrevocable Trust.

3. What type(s) of material is/are proposed to be extracted and describe the physical nature of the site i.e., river, terrace, rocky knob, in-stream gravel deposit, etc.?

No material will be extracted

4. Will the extracted material be hauled off site or used on the same parcel of property where the material is extracted?

No material will be extracted from this site. The material to be used for fill will be obtained from the Albert Frei and Sons, Inc., Walstrum Quarry, M-1983-033.

5. What on site use will be made of the extracted material?

No material will be extracted from this site.

6. If the material is hauled offsite, where will it be hauled and what is the intended use?

No material will be extracted from this site. The material hauled onto the site will be used as fill.

7. What is the approximate areal extent of the proposed extraction in acres?

No material will be extracted from this site. The proposed fill area covers approximately 53.0 acres.

8. To what approximate depth will the extraction extend?

No material will be extracted from this site.

9. In cubic yards, approximately how much material will be removed?

No material will be removed from this site.

10. Will material extraction involve the use of explosives?

No blasting will take place during filling of the site.

11. Will the site of extraction result in the exposure of tributary ground water?

No ground water will be exposed during filling.

12. Will either the landowner or the mine site operator receive any type of compensation, i.e., monetary, in-kind, etc., from the proposed material extraction?

No material will be extracted from this site, nor will there be any compensation for placing the fill.

13. Please supply a copy of any documents that will ensure that the area of extraction will be reclaimed to some beneficial land use once extraction activities have been completed?

No material will be extracted from this site, However, the filled area will be reclaimed using seed mixes and methods described in Walstrum Quarry Mined Land Reclamation Board permit.

14. Do you have permits for this activity from any other governmental agencies, and, if so, what are they?

Yes a Special Use Permit from Gilpin County for this operation has been approved. While no material will be extracted from this site a permit to fill the area was required to make sure the area was reclaimed. They will require a performance bond to assure the site is reclaimed, payment of a filling fee, a wildlife mitigation fee and a landscape plan for the fill area. We may also need an Air Pollution Permit and a Storm Water Discharge Permit from the Colorado Department of Health & Environment.

15. Are there state/federal/local agency participants in terms of funding (yes)-(no), design (yes)-(no).-What are the percentages?

There are no state/federal/local agencies involved in this project.

16. What post mining uses will be made of the site of extraction and why?
(This question helps us determine the intent of the activity)

No material will be extracted from this site. When filling is complete the area will be revegetated and used as vacant land until other uses are approved by Gilpin County.

17. What types and sizes of equipment will be used in the extraction?

No material will be extracted from this site. The fill will be placed using loaders and dozers after it is delivered by off road haul trucks.

Thank your for consideration of our request. If you have any questions please call me at (303) 423-7297.

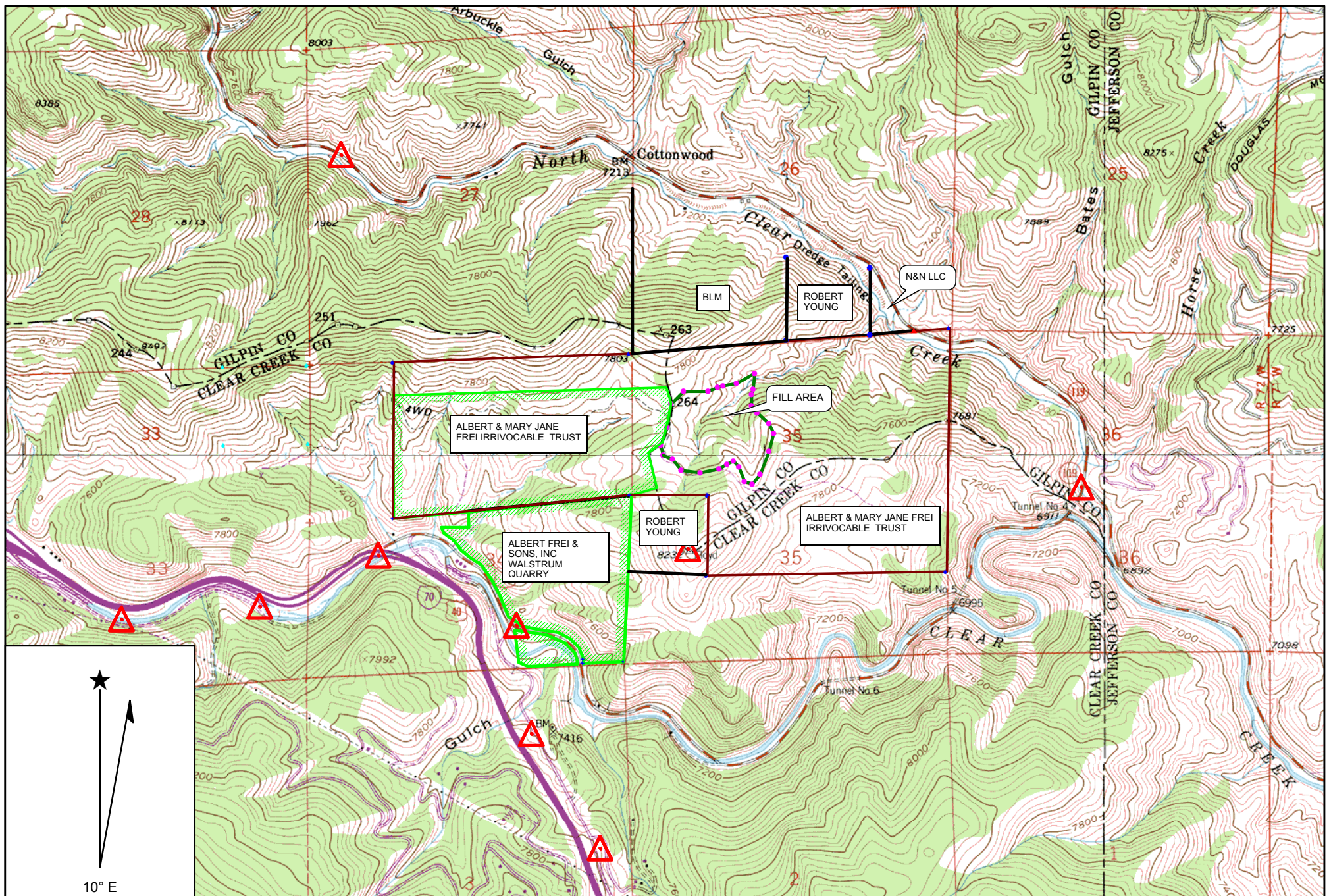
Sincerely,
Environment, Inc.



Stevan L. O'Brian
President

cc Albert Frei and Sons, Inc.
Albert & Mary Jane Frei Irrevocable Trust
file

enclosure



Name: BLACK HAWK
Date: 5/10/2006
Scale: 1 inch equals 2000 feet

Location: 039° 45' 00.35" N 105° 25' 21.97" W WGS 84