



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

April 13, 2016

Russell Hartill
GRE, Inc.
2091 E. Murray Holladay Rd, #20
Salt Lake City, UT 84117

Re: CMC 287923; DRMS File No. P-2016-004; NOI Permitting Requirements

Dear Mr. Hartill,

The Division of Reclamation, Mining and Safety (Division) is in receipt of your letter dated April 1, 2016 in which you clarify the activities that Gold Rush Expeditions, Inc. (GRE) intends to conduct in Larimer County. The letter contends that the proposed activities do not constitute prospecting as defined by C.R.S. § 34-32-103(12). The definition of prospecting contains an exemption for activities which cause no or very little *surface disturbance*. However, activities conducted underground are not exempt from the permitting requirements for prospecting.

A review of the NOI provided to the U.S. Forest Service shows that GRE intends to sample minerals in small quantities of less than 500lbs per sample from existing drifts and underground workings. The Division considers underground bulk sampling to be a form of prospecting, which is defined in part as:

The act of searching for or investigating a mineral deposit. Prospecting *includes but is not limited to*, sinking shafts, tunneling, drilling core or bore holes and digging pits or cuts and *other works for the purpose of extracting samples* prior to commencement of development or extraction operations. (emphasis added)

Therefore, conducting this type of activity in Colorado will require GRE to obtain approval of a Notice of Intent to Conduct Prospecting prior to entering underground workings for the purpose of collecting bulk samples. Pursuant to C.R.S. § 34-32-123(1), whenever an operator or prospector fails to obtain a valid permit or file a notice of intent under the provisions of this article, the board or office may issue an immediate cease and desist order. In addition, any prospector who operates without filing a notice of intent shall be subject to a civil penalty of not less than fifty dollars per day nor more than two hundred dollars per day for each day the land has been affected.



Mr. Hartill
Page | 2
April 13, 2016

A copy of the Notice of Intent to Conduct Prospecting application has been enclosed with this application.

If you have any questions, please contact me at (303)866-3567 x8116.

Sincerely,

A handwritten signature in blue ink, appearing to read 'M. A. Cunningham', with a stylized flourish at the end.

Michael A. Cunningham
Environmental Protection Specialist

Enclosure

CC: Wally Erickson, DRMS
Patti Turecek, USFS
Trez Skillern, USFS