



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

1313 Sherman Street, Room 215
Denver, CO 80203

February 8, 2017

George Otten
Central City Consolidated Mining
11438 Weld County Road 19
Fort Lupton, CO 80621

RE: Preliminary Adequacy Issues for Technical Revision No. 03 (TR-03);
Bates-Hunter Mine; Permit No. M-1990-041

Dear Mr. Otten,

The Division received TR-03 for the Bates-Hunter Mine on January 27, 2017. The 30-day decision date for TR-03 is February 26, 2017. Please be advised TR-03 may be found not adequate and may be denied on February 26, 2017, unless the following adequacy issues are addressed to the Division's satisfaction:

1. In a letter dated November 22, 2016, the Division informed you the financial warranty increase related to the demolition of the mill building could be reevaluated if the mill building was shown to be in conformance with local zoning ordinances and was designated as a historic structure by the State Historic Preservation Office. Pursuant to Rule 3.1.11, structures may remain on the affected land after reclamation if such buildings or structures will not conflict with the post-mining land use and the structures conform to local building and zoning codes.

The Operator has submitted a letter from Basline Corporation as proof that the mill building is in conformance with the zoning requirements of the City of Black Hawk. The Division reviewed the letter and did not find an express or implied statement which indicated the mill building was in conformance with local zoning ordinances. The letter simply identified the zoning of the property on which the mill building is located as 'Environmental Character Preservation'. The letter provided from Baseline Corporation does not demonstrate the mill building is in conformance with local building and zoning codes. In order to satisfy the requirements of Rule 3.1.11, the Operator must submit a letter from the City of Black Hawk which affirmatively states the mill building is currently in conformance with local building and zoning ordinances and will not conflict with the post-mining land use.

2. The Operator has provided documentation from the National Register of Historic Places which demonstrates the mill building is located within the Central City/Black Hawk Historic District, which is a National Historic Landmark. Pursuant to Rule 3.1.11, any buildings or structures including those constructed or placed on the affected lands in conjunction with the



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mining operations or which are historic structures as determined by the State Historic Preservation Office (SHPO) may remain on the affected land after reclamation at the option of the Operator and Landowner and with the approval of the Board. The documentation from National Register of Historic Places does not demonstrate the mill building is a historic structure, only that the mill building is located within a historic district. In order to satisfy the requirements of Rule 3.1.11, the Operator must submit documentation from SHPO which specifically lists the mill building as a historic structure.

3. The Operator submitted a copy of Chapter 16 from the Black Hawk Municipal Code which specifies the local zoning ordinances. Pursuant to Black Hawk Municipal Code Section 16-76(c)(3), on property zoned as Environmental Character Preservation, mining and mining related uses are subject to special review and may be permitted if they are not a threat to public health and safety and do not adversely impact surrounding land uses. Special review uses require the issuance of a special review use permit by the Board of Alderman after public hearings before the Board of Alderman.

Pursuant to C.R.S. 34-32-115(4)(c), no part of the mining operation, the reclamation program, or the proposed future use is or may be contrary to the laws or regulations of this state or the United States, including but not limited to all federal, state, and local permits, licences, and approvals, as applicable to the specific operation. Please clarify if a special review use permit has been issued by the Board of Alderman for the Bates-Hunter Mine.

This concludes the Division's preliminary adequacy review of this Technical Revision. Please remember that the decision date for this Technical Revision is February 26, 2017. As previously mentioned, if you are unable to provide satisfactory responses to any inadequacies prior to this date, it will be your responsibility to request an extension of time to allow for continued review of this Technical Revision. If there are still unresolved issues when the decision date arrives and no extension has been requested, the Technical Revision will be denied.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike C.", is written over the signature line.

Michael A. Cunningham
Environmental Protection Specialist

CC: Wally Erickson, DRMS
Matt Collins, Black Fox Mining