

May 5, 2017

Michael Cunningham Colorado Division of Reclamation, Mining and Safety 1313 Sherman St, Rm 215 Denver, CO 80203

Fairplay Au Pit (M-1991-037) – Appeal of Request Maintaining Water Flows of Platte City Ditch, Maintaining Ditch Ponds, Ensuring Delivery of Ditch Water by Alternative Access Point and Ensuring Water is Delivered Downstream

Mr. Cunningham

High Speed Mining, LLC is appealing the Division's decision to deny High Speed's right to maintain and use its water rights conveyance structures located on High Speed's land (see DRMS letter dated May 5, 2017). This action by the Division adversely affects High Speed's ability to put the water rights it owns to beneficial use within its approved 110 operation. Without the ability to put said water rights to beneficial use, the water rights themselves may be damaged in value. These rights were adjudicated by Decree by Water District No. 23 in the State of Colorado and were established before Colorado was a State in 1867. Additionally, said water rights are placer rights that are used on a permitted 110 operation. Prevention of the use of these water rights on the permitted 110 operation can cost the operator upwards of \$25,000 in the cost to acquire water to support the placer operation if they can be acquired along with the cost of appropriate equipment that can cost in upwards of \$20,000 per month to lease plus additional installation fees. This does not included workers' wages for lost operation time, equipment leases, insurance and lost earnings.

High Speed Mining, LLC, as part of this appeal, waives the 30-day notice period to allow for a prompt hearing in front of the Mined Land Reclamation Board.

Regards,

Ben Langenfeld, P.E. Greg Lewicki and Associates