



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

1313 Sherman Street, Room 215
Denver, CO 80203

May 24, 2017

Ben Langenfeld
Greg Lewicki and Associates
3375 W. Powers Circle
Littleton, CO 80123

RE: Fairplay Au Pit; DRMS File No. M-1991-037; Preliminary Adequacy Review (CN01)

Dear Mr. Langenfeld,

The Division of Reclamation, Mining and Safety (Division) has completed its preliminary adequacy review of your Hard Rock Regular 112 Reclamation Permit Conversion Application. The application was received on March 9, 2017 and was called complete for review on March 28, 2017. The date for consideration for this application is June 26, 2017. **Please be advised that if you are unable to satisfactorily address any concerns identified in this review before the decision date, it will be your responsibility to request an extension of the review period. If there are outstanding issues that have not been adequately addressed prior to the end of the review period, and no extension has been requested, the Division will recommend denial of this application.**

The review consisted of comparing the application content with specific requirements of Rule 6.1, 6.2, 6.4, and 6.5 of the Minerals Rules and Regulations of the Colorado Mined Land Reclamation Board for Hard Rock, Metal, and Designated Mining Operations. In general the application was substantially adequate, however, as with most applications there are a few items that will require the submittal of additional information or clarification of the existing information. Inadequacies are identified under the respective exhibit heading along with suggested corrective actions to correct them.

1. As required by Rule 1.6.2(d) and 1.6.5(2), please submit proof of publication in a newspaper of general circulation in the locality of the proposed mining operation.
2. As required by Rule 1.6.2 (e), please submit proof of the notice to all owners of record of surface and mineral rights of the affected land and the owners of record of all land surface within 200 feet of the boundary of the affected land including all easement holders located on the affected land and within 200 feet of the boundary of the affected land. Proof of notice may be return receipts of a Certified Mailing or by proof of personal service.



3. The Division received comments from Colorado Division of Water Resources and Park County Planning Department. The letters are attached for your review. Please address the comments noted in the letters and make any changes to the application as necessary.

6.4.1 Exhibit A – Legal Description

No comment.

6.4.2 Exhibit B – Index Map

No comment.

6.4.3 Exhibit C – Pre-mining and Mining Plan Map(s) of Affected Lands

4. As required by Rule 6.4.3(b), the names of all creeks, roads, buildings, and power and communication lines on the area of affected land and within 200 feet of all boundaries of such areas shall be portrayed on the Pre-mining Plan Map. Please revise Map C-1 to include labels and the owner's name (for applicable structures) for the following features:
 - a) Middle Fork of the South Platte River
 - b) The roads located south of the affected lands
 - c) Overhead power lines
 - d) Platte City Mining Ditch
5. During the pre-operation inspection conducted on May 17, 2017, the Division observed that the Platte City Mining Ditch splits into two segments once it crosses over to the east side of the access road. The main portion of the ditch currently provides water to the mining operation and the other segment which runs to the south and parallels the county road is not currently in use. Please revise Map C-1 to include all segments of the Platte City Mining Ditch.
6. During the pre-operation inspection conducted on May 17, 2017, the Division observed a power line which runs from the main line on the county road north to a small trailer. This segment of powerline is considered to be a permanent man-made structure and must be shown on Map C-1. Please revise Map C-1 to include this segment of powerline.
7. As required by Rule 6.4.3(d), please identify and label the area which corresponds with the proposed 30.7 acres of affected land on a revised Map C-1. In addition, please clarify if the area between the mining phases is intended to be affected land as defined by Rule 1.1(4). Any area where equipment will travel must be designated as affected land.
8. Please outline and label fuel storage areas on Map C-1.

9. Map C-1 and Map C-2 appear to have the floodplain delineated. However, the map legend does not contain a symbol for the floodplain. Please revise the maps to include a symbol for the floodplain in the legends.
10. The floodplain delineation on Map C-2 is partially covered by the mining phases. Please revise Map C-2 so that the floodplain delineation can be viewed in relation to the mining phases.
11. The permit boundary which is depicted on Map C-1 and Map C-2 contains a straight line which extends from the north side of the permit boundary up to Colorado State Highway 9. The extension of the permit boundary appears to follow the section line. Please explain why the permit boundary extends north along the section line.

6.4.4 Exhibit D – Mining Plan

12. The Mining Plan states the mining slopes will be roughly vertical. However, Map C-2 states the mining slopes will be at 2H:1V. Please clarify this discrepancy and make the necessary changes to the appropriate exhibit.
13. The Mining Plan states concurrent reclamation is not possible because most of the site was historically mined. In addition, the Mining Plan states concurrent reclamation will take place. Please clarify this discrepancy and make the appropriate changes to the Mining Plan.
14. The Mining Plan states a 50' to 80' berm will be maintained on the north side of mining areas. In addition, the Mining Plan states the berm will be graded out during reclamation to create final daylighting of the pit slopes. Please clarify the timing of reclamation of the berm. Will reclamation of the berm occur when mining is complete in all three phases, or will reclamation of the berm occur as the active mining area progresses from the north to the south?
15. Pursuant to Rule 3.1.5(3), all grading shall be done in a manner to control erosion and siltation of the affected lands. The portions of the mine site which are north of the riverside berms are very steep and are partially composed of washed gravels from historic mining operations. Please describe what measures will be taken to ensure that no gravel or sediment is allowed to enter the Middle Fork of the South Platte River when the riverside berm is graded out. In addition, describe the earthmoving methods which will be utilized to remove the riverside berm.
16. The Mining Plan states mining activities will expose groundwater and groundwater is expected to be reached at roughly 50 feet below the natural grade. In addition, the Mining Plan states groundwater will be found at 100' to 190' down. Please clarify this discrepancy and make the necessary changes to the Mining Plan.

17. The Applicant is proposing to utilize fines from processing of alluvium to supplement topsoil during reclamation. Please specify the total volume of fines which will be used during reclamation of the site. In addition, specify if the fines will be used in concurrent reclamation or stockpiled and specify whether the material will be placed exclusively on reclaimed areas or if it will be incorporated with salvaged topsoil.
18. The Applicant has stated water for processing will be obtained from a water right or through leased water. Please provide a description of how water will be conveyed from the ditch to the wash plant.
19. Map C-2 depicts the wash plant and wash pond in Phase 3. Please clarify if this will be the permanent location for the wash plant and pond. If so, specify the timing of moving the wash plant and pond from its current location in Phase 1 to Phase 3.
20. The Mining Plan indicates inert fill may be imported into the site and used for establishing slopes in final reclamation. The Applicant has provided a sample affidavit to be completed by the entity providing off-site fill. Pursuant to Rule 3.1.5, it is the Operator's responsibility to provide the Office notice of any proposed backfill activity not identified in the approved Reclamation Plan. Therefore, the Applicant may either address the notice requirements outlined in Rule 3.1.5(9)(a)-(f) during the review of this application or provide notice at a later date, but prior to the importation of inert fill.
21. The Applicant has indicated fuel will be stored on site. Please describe the secondary containment used for fuel storage.
22. According to Map C-2, the mining operation will mine through the southern segment of the Platte City Mining Ditch in Phase 1. Please include a discussion of mining through this segment of the Platte City Mining Ditch and demonstrate that High Speed Mining, LLC is authorized to eliminate or relocate this section of the ditch. See additional comments under Item No. 5.

6.4.5 Exhibit E – Reclamation Plan

23. The Reclamation Plan calls for reclaiming each phase as mining progresses. Please clarify if the Operator will mine an entire phase, as depicted on Map C-2, before conducting reclamation.
24. As required by Rule 6.4.5(f)(i), specify the maximum anticipated slope gradient or expected ranges of the reclaimed lands.

25. The Reclamation Plan calls for replacing 6" to 12" of topsoil. The total volume of topsoil to be replaced is specified to be 32,696 CY. If topsoil is replaced at a depth of 6" to 12", then the average amount of topsoil replaced would be 9" or 36,784 CY over 30.4 acres. Please revise the Reclamation Plan to reflect replacement of topsoil at an average depth of 9".
26. The proposed seeding rate (72 seeds/ft²) for broadcast seeding is more appropriate for drill seeding. The proposed seeding rate should be doubled for broadcast seeding. Please revise the Reclamation Plan accordingly.
27. The Applicant has submitted a Weed Control Plan which provides a basic outline for monitoring and treating noxious weeds. Please note that if noxious weeds are found on the site, the Division may require a Technical Revision to update the Weed Control Plan to include specific management objectives for all present noxious weeds species.
28. As required by Rule 3.1.10(4), please describe how the legume seeds in the reclamation seed mix will be inoculated.
29. The Reclamation Plan states that excess sand and gravel will be replaced into the mining excavations. Please provide additional detail on the timing of backfilling excess sand and gravel. How much material will be stockpiled prior to backfilling? This information is required for bonding purposes.

6.4.6 Exhibit F – Reclamation Plan Map

30. Map F-1 appears to have the floodplain delineated. However, the map legend does not contain a symbol for the floodplain. Please revise the map to include a symbol for the floodplain in the legend.
31. The floodplain delineation on Map F-1 is partially covered by the mining phases. Please revise Map F-1 so that the floodplain delineation can be viewed in relation to the reclaimed mining phases.
32. The permit boundary which is depicted on Map F-1 contains a straight line which extends from the north side of the permit boundary up to Colorado State Highway 9. The extension of the permit boundary appears to follow the section line. Please explain why the permit boundary extends north along the section line.
33. The contour lines outside of the affected areas appear to terminate where they connect to the northern portions of Phase 1 and Phase 2. Please ensure the contour lines are continuously represented on Map F-1. Also, the Operator may consider changing the color of the contour lines to provide greater contrast.

6.4.7 Exhibit G – Water Information

34. The Applicant has stated groundwater is not expected to be reached during mining, but if it is, it will be pumped from the pit and discharged to the Middle Fork of the South Platte River. In addition, Exhibit G (pg G-2) states dewatering will not occur. Please clarify these two contradicting statements. If dewatering will occur, then the Applicant will need to make a demonstration that nearby wells will not be impacted by dewatering activities.
35. According to Exhibit G, provisionally identified wetlands are depicted on Map C-1. The Division could not locate wetlands on Map C-1. Please confirm the wetlands are depicted on Map C-1 or provide a revised map which outlines the location of the provisionally identified wetlands. In addition, specify if the Applicant has consulted with the Army Corps of Engineers regarding potential impacts to the wetlands.
36. As required by Rule 6.4.7(4), please specify how much water is available through the Platte City Mining Ditch water right and any other sources of water which will supply water to the mining operation.

6.4.8 Exhibit H – Wildlife Information

37. The Applicant has stated “the primary effect on wildlife of the operation will be the presence of large equipment and the active excavation pit”. The presence of large equipment and active excavation areas is not the effect on wildlife, but is rather the cause of any effects or impacts. Please clarify what the general effect will be on wildlife in the area. The Applicant may wish to consult with Colorado Parks and Wildlife.

6.4.9 Exhibit I – Soils Information

38. The Operator is proposing to use fines as a topsoil substitute during final reclamation. Pursuant to Rule 3.1.9(6), the Operator may use other materials as a replacement for topsoil if they can be shown to be more suitable for vegetation requirements. Please provide any documentation, including soil tests, which show that processing fines will be a suitable topsoil substitute.

6.4.10 Exhibit J – Vegetation Information

39. Pursuant to Rule 3.1.9(2), the Operator should make a reasonable effort to ensure that existing vegetation is put to a beneficial use such as firewood, mulching, lumber, etc. Please describe what use, if any, will be made of the woody vegetation that is cleared from the site.
40. As required by Rule 6.4.10(1)(c), provide carrying capacity for range lands on or in the vicinity of the affected land.

6.4.11 Exhibit K – Climate

No comment.

6.4.12 Exhibit L – Reclamation Costs

41. Reclamation Task No. 1 calls for backfilling the excavation to two feet above the water table. Provide a justification for using 5ft. to calculate the total volume of material required to backfill the pit to two feet above the water table.
42. According to the Mining Plan, the pit slopes will be mined at a nearly vertical angle. Reclamation Task No. 2 calls for regrading the upper portions of the active excavation to 3H:1V. Please explain why the only the upper portions of the pit walls are accounted for in the financial warranty calculation. In addition, explain how the dimensions which were used to calculate the volume of material which needs to be graded were arrived at.
43. The Operator has specified the maximum dimensions of the pit to be 340' x 340', with a maximum depth of 120'. In the event reclamation must occur before an entire phase is mined, how will the Operator lay back pit slopes to 3H:1V?
44. Reclamation Task No. 3 calls for replacing topsoil to a depth of 8 inches. The Reclamation Plan states topsoil will be replaced at a depth of 6 inches to 12 inches, which makes the average depth 9 inches. Please revise the financial warranty estimate accordingly.
45. Reclamation Task No. 3 contains a note which states that 50% of Phase 1 = 15 acres. Table D-1 indicates Phase 1 is 15 acres in size. Please clarify the intent of the note for Reclamation Task No. 3.
46. The Reclamation Plan calls for disking or harrowing reclaimed areas prior to seeding. Please revise the financial warranty estimate to include this reclamation task.
47. The financial warranty estimate does not include a cost to reclaim the sediment pond or wash plant area. Please revise the financial warranty estimate to include these reclamation tasks.

6.4.13 Exhibit M – Other Permits and Licenses

48. Exhibit G states there will be no surface water discharge as part of the operation. Please explain why a combined stormwater/process water permit would need to be obtained from the Colorado Department of Public Health and Environment.
49. Please revise Exhibit M to include a well permit and temporary substitute water supply plan if groundwater will be exposed during mining operations.

50. The Division received comments from the Park County Planning Department which stated that a portion of the mining operation is located within a Residential zone district. In addition, it appears the 33.4 acres which are being added to the existing 8 acre permit area are currently zoned as residential. Please specify what steps the Operator is taking to address this issue.

6.4.14 Exhibit N – Source of Legal Right to Enter

No comment.

6.4.15 Exhibit O – Owner(s) of Record of Affected Land (Surface Area) and Owners of Substance to be Mined

No comment.

6.4.16 Exhibit P – Municipalities Within Two Miles

No comment.

6.4.17 Exhibit Q – Proof of Mailing of Notices to Board of County Commissioners and Soil Conservation District

No comment.

6.4.18 Exhibit R – Proof of Filing with County Clerk and Recorder

No comment.

6.4.20 Exhibit T – Permanent Man-Made Structures

51. Exhibit T states damage waiver agreements were attached with the application. The Division could not locate the damage waiver agreements. The Division will review the engineering analysis upon demonstration that structure agreements were provided to the structure owners. Structure agreements shall be sent by a trackable method, i.e. certified mail. In addition, the individual structure agreements shall be labeled with the certified mail number or other tracking number. Please provide proof that structure agreements were provided to all structure owners. If structure agreements were obtained for structures within 200 feet of the existing 8 acre permit boundary, then please resubmit those structure agreements.
52. Exhibit T does not include the Platte City Mining Ditch. The ditch is considered to be a permanent man-made structure. Please revise Exhibit T to include the ditch.

Mr. Langenfeld

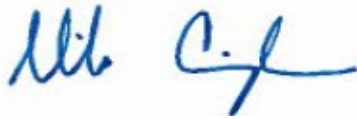
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May 24, 2017

This concludes the Division's preliminary adequacy review of this application. The Division received timely objections to the application. Pursuant to Rule 1.4.9(1)(a), the Division shall set the date for consideration of the application no more than 90 days after the application has been filed. The date for consideration for this application is June 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 application.** If there are still unresolved issues when the date for consideration arrives and no extension has been requested, the Division will recommend denial of the application.

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 positioned above the printed name of the sender.

Michael A. Cunningham
Environmental Protection Specialist

Enclosures (2)


CC: Wally Erickson, DRMS
Lance Baller, High Speed Mining, LLC



COLORADO
Division of Water Resources
Department of Natural Resources

1313 Sherman Street, Room 821
Denver, CO 80203

Response to Reclamation Permit Conversion Application Consideration

DATE: April 14, 2017
TO: Michael A. Cunningham, Environmental Protection Specialist
(michaela.cunningham@state.co.us)
CC: Division 1 Office, District 23 Water Commissioner
FROM: Sarah Brucker, P.E. 
RE: Fairplay Au Pit, File No. M-1991-037
Applicant/Operator: High Speed Mining, LLC
Contact: Lance Baller, 303-470-0055
Sections 32 & 33, Twp 9 South, Rng 77 West, 6th P.M., Park County

CONDITIONS FOR APPROVAL

- ☐ The proposed operation does not anticipate exposing groundwater. Therefore, exposure of ground water must not occur during or after mining operations.
- ☒ The proposed operation will consume water by: ☐ evaporation, ☒ dust control, ☐ reclamation, ☐ water removed in the mined product, ☒ processing, ☐ other: _____.
- The operator will need to document that any such water was obtained from a legal source or diverted in priority under a water right decreed for such mining/industrial use.
- ☒ The proposed operation *may* consume ground water by: ☒ evaporation, ☐ dust control, ☐ reclamation, ☒ water removed in the mined product, ☐ processing, ☐ other: _____.
- Prior to initiation of these uses of ground water, the operator will need to obtain either a gravel pit or other type of well permit, as applicable. However, prior to obtaining a permit, an approved substitute water supply plan or decreed plan for augmentation is required.
- ☒ Any storm water runoff intercepted by this operation that is not diverted or captured in priority must infiltrate into the ground or be released to the stream system within 72 hours. Otherwise, the operator will be required to make replacements for evaporation.

COMMENTS: The subject application seeks to convert M-1991-037 from a 110(c) Limited Impact Construction Materials Permit to a 112 Hard Rock Permit. The application also seeks to increase the permitted area from 8 acres to 41.4 acres.

The Fairplay Au Pit is a surface mining operation located approximately half a mile northwest of Fairplay, Colorado. The primary commodity to be mined at the site is gold. Sand and gravel will be mined as a secondary commodity. The site is proposed to be reclaimed to rangeland upon completion of mining operations.

Approximately 2.5 acre-feet of water per year will be required for dust control purposes at the site and an additional 2.5 acre-feet of water per year will be required for processing, for a total annual water requirement



of 5.0 acre-feet. Water for these purposes will either be obtained via the placer rights the operator has on Sacramento Creek or leased from a local reservoir. The operator must be able to document to the water commissioner upon request that any water used for dust control, processing, or any other purpose at the site, decreed for such use.

Mining at the site could potentially occur below the ground water table. The only location where ground water may be exposed is in the active excavation pit. If ground water is encountered during mining, it is proposed to be pumped to the South Platte River. If ground water is exposed to the atmosphere for longer than 72 hours, the operator will be required to obtain a well permit and make replacements for evaporation. Additionally, if material is removed from below the ground water table, the operator will need to make replacements for the water removed with the mined material.

The applicant may contact the State Engineer's Office with any questions.



**STATE OF
COLORADO****Cunningham - DNR, Michael** <michaela.cunningham@state.co.us>

High-Speed Mining

1 message

John Deagan <JDeagan@parkco.us>

Wed, Apr 19, 2017 at 4:53 PM

To: "michael.cunningham@state.co.us" <michael.cunningham@state.co.us>

Cc: Sheila Cross <SCross@parkco.us>

Hello Michael,

Part of the area being mined on the High-Speed Mining lots is zoned Residential. Please see the attached letter. If I do not get a rezoning application from them tomorrow, a code enforcement action will begin. Even if I do get the application, it might not be approved by the Board of County Commissioners and so mining activity on that portion of the lot would have to cease.

Please write or call with any questions.

Sincerely, John

John Deagan, AICP

Park County Planner

719 836 4254

**03-21-17, Baller.pdf**

331K



Park County Planning Department

P.O. Box 1598 • Fairplay, CO 80440 • Phone: 719.836.4254 • Fax: 719.836.4268

March 21, 2017

Lance Baller
High-Speed Mining, LLC
8480 East Orchard Road, Suite 4900
Greenwood Village, CO 80111

Re: Mining Operation at Katuska Pit

Dear Mr. Baller,

Notice is hereby given pursuant to Sections 30-28-124 and 30-124.5 of the Colorado Revised Statutes that you are in violation of Park County Land Use Regulations as described below.

Your real property known as tax parcels 5068 and 13444 is in both the Mining and Residential zone districts. The portions north of a line running along the latitude of 39°13'40" North are zoned Mining, and the portions south of that line are zoned Residential.

It appears that you are engaging in mining activities in the Residential zone district.

The violation must be removed from the property no later than thirty days after the date of this letter. Alternatively, you can correct this violation by submitting an application to rezone those portions of the lot in which you are engaging in mining activities to the Mining zone district. If you wish to do so, please contact me regarding beginning the application process.

Sincerely,

John Deagan, AICP
Park County Planner
jdeagan@parkco.us