

Department of Natural Resources

1313 Sherman Street, Room 215 Denver, CO 80203

June 5, 2017

Darrell Knudson Bonanza Land, LLC 12472 Circula Panorama Santa Ana, CA 92705

RE: Bonanza Land; DRMS File No. P-2017-006; Notice of Deficiencies

Dear Mr. Knudson,

On April 24, 2017, the Division of Reclamation, Mining and Safety (Division) received the Notice of Intent to Conduct Prospecting (NOI) Application for the Bonanza Land prospect, File No. P-2017-006. The Application was filed for review on May 15, 2017. Our review indicates the Application contains deficiencies as defined by Rule 5.1.3 of the Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for Hard Rock, Metal, and Designated Mining Operations. The Division requires the information described below before we can approve the NOI Application.

- 1. The Signature Requirement section (page 9) of both Form 1 and Form 2 needs to be revised. The date of the signature did not include the year. Please provide replacement pages which include the date of the signature.
- 2. The Applicant did not provide complete location information for the proposed prospecting activities on Form 2. Please clarify if the Section, Quarter Section, and Location Map were intentionally omitted from this form. Pursuant to Rule 5.2.1(2), information relating to the mineral deposit location, size or nature, and other information designated by the Applicant and determined by the Division as proprietary or trade secrets or that would cause substantial harm to the competitive position of the Applicant shall be protected as confidential.
- 3. The Applicant has described the areas where prospecting will occur as 'previously disturbed'. Please describe the nature of the existing disturbance? Is the existing disturbance related to historic mining activities? If so, will prospecting activities disturb old mine dumps? Will acid-forming or toxic producing materials be handled?
- 4. Pursuant to Rule 3.1.5(10), please describe how the Prospector will control sedimentation and erosion of the drill pads in areas with steep hillsides so as to prevent any unauthorized release of pollutants to the surface drainage system.



- 5. Please clarify if trees will be removed during prospecting activities. If so, please describe what use will be made of the trees. Pursuant to Rule 3.1.9(2), the Operator should make a reasonable effort to ensure that existing vegetation is put to beneficial use such as firewood, mulching, lumber, etc.
- 6. Please describe how the boreholes will be securely capped and sealed as required by Rule 5.4.2(5).

Be advised that if these items have not been addressed within 60 days of the date of this letter (August 4, 2017), the Division may terminate the NOI application in accordance with Rule 5.1.3(c) of the Hard Rock Rules. Please remember to designate as appropriate those materials in the application that you desire to be made confidential versus those to be made public.

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

Sincerely,

Michael A. Cunningham

Environmental Protection Specialist

CC: Wally Erickson, DRMS