braun

Braun Environmental, Inc.
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June 12, 2017 SENT VIA EMAIL

Mike Cunningham
Colorado Division of Reclamation, Mining and Safety
1313 Sherman, Room 215
Denver Colorado 80203

Dear Mr. Cunningham:

We have reviewed your deficiency letter dated June 5, 2017 and have attached a sheet containing our responses. As usual, we are playing catchup a, trying to get the paperwork in place before we lose the season.

The comments made in your letter are pretty simple and my goal was to make my responses as clear as possible so there could be no confusion. If a question does remain please just give me call me so we can move the project forward. Sometimes we forget that in our zeal to protect the environment that we also work for the citizens of Colorado that work hard to pay our salaries. We have people counting on us to get to the end of this permit.

Sincerely,
BRAUN ENVIRONMENTAL, INC.

C. A. Braun, P.E.

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Responses to Division of Mining Reclamation and Safety - Notice of Deficiencies Letter Dated June 5, 2017
By C. A. Braun – June 12, 2017

Following are the specific responses to deficiencies noted in the letter

Comment 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.

Response:

Both pages have been correctly filled out and have been sent to Mike Cunningham via email on June 9, 2017, at 2:54 PM, and additionally sent to the same at DRMS via certified U.S. Mail – Tracking Number 9407 8036 9930 0033 1255 56.

Comment 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.

Response:

This issue was specifically discussed by Art Braun and Mike Cunningham prior to the comment letter. The Form 2 package was presented as intended and per DRMS regulation. Mineral exploration is a sensitive issue, and in the event that proprietary information or trade secrets might be divulged, the chances of having a positive outcome for the permit applicant can be diminished. Discussion of specific potential issues can be conducted with DRMS personnel if necessary, but in a confidential setting.

Comment 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?

Response:

This question was not anticipated because of the simplicity of the answer, but sometimes persons lacking technical background are not as familiar with rock units and simple Euclidean geometry as we sometimes assume. The rock unit within the exploration area is the Precambrian Idaho Springs formation. To the extent that the farmed soils in eastern Colorado are not acid generating, neither is the Idaho Springs formation. The element having the ability to generate acid is the mineralized veins that tend to cut through it within the general Empire-Idaho Springs-Central City area. Next is a simple review of geometry, the waste rock piles that are located in the area are generally placed directly on top of the vein. In order to target a vein at depth, it is standard engineering practice to not drill down the vein by locating a drill rig on the dump. Instead, the only way to achieve the goal is to stand off some distance, so the vein can be cut at a right angle, or nearly a right angle. This, places the location of the drill pad out in the non-acid generating country rock. A review of the map included in Form 1 shows clearly that none of the pad locations are located on any potentially acid generating waste rock piles, with one possible exception. At this location, the topographic map shows that particular area as white instead of green. However, that location is not on a waste rock pile either. As a result of the location of the drill holes, no acid producing or known toxic materials are expected to be handled. Further review of the topographic map shows the drill sites to be located along existing roads.

Comment 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.

Response:

The rule refers to "all mined material", and states that it must be "disposed of and handled in a manner so as to prevent any unauthorized release of pollutants to the surface drainage system." Once again, the regulators might not be familiar with standard exploration drilling techniques, and with the information that can be contained on topographic maps. As can be seen on the map presented as part of Form 1, the hillsides are not all that steep at the locations of the possible drill locations. Secondly, the exploration plan consists of drilling a simple hole along a road, collecting all mineralized material that comes from that hole to be used for analysis. There is no "mined material" to be disposed of, no disturbance of soil; basically no evidence that the hole was ever drilled once the rig has departed. If the construction of a short distance of new road is necessary, that segment will be closed and reclaimed. If it happens to be installed on a hillside determined by the engineer to be steep enough to require additional attention with respect to erosion, the engineer will specify installation of silt fence as necessary, which is to be removed when the area is reclaimed.

Comment 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.

Response:

Since the exploration is anticipated to occur in areas of existing disturbance, it is not anticipated that any trees will need to be removed. In the unlikely event a couple of trees do need to be taken out; their parts will be used beneficially. Possible uses of the "woody vegetation" will be for firewood, fence posts, tepee poles, dimension lumber, mulch as soil stabilization and amendment, and/or for the improvement of wildlife habitat. The choice of use shall be at the discretion of the land owner.

Comment 6

Please describe how the boreholes will be securely capped and sealed as required by Rule 5.4.2(5).

Response:

The Office of the Colorado State Engineer has some expertise in the drilling and abandonment of wells within the State of Colorado. The following is an excerpt from Rule 16.2 for wells being abandoned that are in unconfined aquafers. In the case of this particular project, no aquifer will be intercepted, but the technique is still appropriate, and will be adhered to.

" Wells completed into unconfined aquifers and unconsolidated aquifers shall be plugged, sealed and abandoned by filling the well to the static water level with drill cuttings, clean sand or clean gravel, then with clean native clays, cement or high solid bentonite grout to the ground surface. The uppermost five (5) feet of casing shall be filled with grout or a permanent watertight cover shall be installed at the top of the casing. If casing is removed, the hole shall be filled as described above to within five (5) feet of the ground surface. The top five (5) feet of the hole shall be filled with materials less permeable than the surrounding soils that are adequately compacted to prevent settling."