

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

1313 Sherman Street, Room 215 Denver, CO 80203

July 5, 2017

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

RE: Fairplay Au Pit; DRMS File No. M-1991-037; Adequacy Review No. 4 (CN01)

Dear Mr. Langenfeld,

The Division has identified several other comments and questions that must be addressed prior to the Division's decision due date. 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 deny this application.

- The Operator has defined phases for the mining operation. In addition, the Operator has committed to performing concurrent reclamation and limiting the total amount of disturbance within each phase. The mine phasing and limiting of disturbance are two types of bonding mechanisms which can be used to limit the financial liability for an operation. The purpose of defining a phase is so that one or more phases can be bonded for at any given time. Alternately, the purpose of performing concurrent reclamation and limiting the overall amount of disturbance is so that phases do not need to be defined. To use both of these bonding mechanisms creates unnecessary confusion. The Division requests the Operator select one of these bonding approaches. If the Operator selects the mine phasing approach, then the total area within a phase must be bonded for. Otherwise, the Operator may bond for the maximum amount of disturbance which requires reclamation.
- 2. The Applicant has stated the three ponds located along the Platte City Mining Ditch are accompanying structures for the ditch and will remain after final reclamation. The slope on the south side of the wash pond is vertical. In order for the wash pond to remain after reclamation, the slopes must conform to the requirements of Rule 3.1.5(7). Please specify the final grade of the wash pond slopes and ensure that the financial warranty calculation accounts for this reclamation task.



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- 3. The Applicant has stated mining the veritical pit walls will transition to 2H:1V at a point where the vertical pit walls could be knocked down without the crest of the slope extending beyond the edge of the mining area in a phase. If the maximum pit depth will be 120', then the point at which the transition would occur would be 240' from the edge of the excavation to the edge of the mining phase. Since the financial warranty must be based on a worst case scenario, the Division must assume that reclamation must be performed on vertical pit walls. Please revise the reclamation cost estimate account for reclaiming 1360' linear feet of vertical pit walls.
- 4. The financial warranty calculation does not account for the cost of amendments. Please ensure the cost of amendments are included in the financial warranty calculation.

As previously mentioned, if you are unable to provide satisfactory responses to any inadequacies prior to July 31, 2017, 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 decision date arrives and no extension has been requested, the application will be denied.

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

Sincerely,

C.

Michael A. Cunningham Environmental Protection Specialist

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