



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

1313 Sherman Street, Room 215
Denver, CO 80203

August 25, 2017

Bill Schenderlein
Blue Earth Solutions, LLC
P.O. Box 2427
Fort Collins, CO 80401

RE: Irwin/Thomas Mine; DRMS File No. M-2016-054; Adequacy Review No. 3

Dear Mr. Schenderlein,

The Division has identified several other comments and questions that must be addressed prior to the Division's decision due date. Please be advised the 112 Construction Materials Reclamation Permit Application may be found not adequate and may be denied on August 28, 2017, unless the following adequacy issues are addressed to the Division's satisfaction:

6.4.5 Exhibit E – Reclamation Plan

1. The Applicant has identified a Primary Mining and Reclamation Plan and 3 Alternative Mining and Reclamation Plans. The Alternative Mining and Reclamation Plans are contingent upon the Operator's ability to obtain an approved augmentation plan to cover long term evaporative depletions and the Operator's ability to obtain backfill material to achieve final grading. Approval of the permit application in its current form will authorize the Applicant to conduct mining and reclamation only within MA1 based on the Primary Mining and Reclamation Plans. Prior to affecting land within MA2, MA3 or MA4, the Applicant must notify the Division in writing and must submit and obtain approval of the appropriate permit revision. Please respond.

6.4.7 Exhibit G – Water Information

2. The Applicant has not provided a flood impact analysis for the proposed operation which adequately demonstrates how impacts to the prevailing hydrologic balance will be minimized during a 100-year flood event. The flood impact analysis should not only address impacts from a post-mining standpoint, but should address impacts during active mining operations. As previously mentioned, the flood impact analysis must address, at a minimum, potential flood impacts to MA1. The required revision for affecting MA2-MA4, discussed under Item No. 1 of this letter, must also include the appropriate flood impact analysis for those areas.

The Division has requested a flood impact analysis in the Adequacy Review No. 1 letter dated December 2, 2016 and in the Adequacy Review No. 2 letter dated April 17, 2017. The Application does not currently satisfy the requirements of C.R.S. 34-32.5-116(4)(h) and (i). Failure to adequately address the Division's concerns regarding flood impacts from the St. Vrain Creek may result in denial of the application.



August 25, 2017

6.4.12 Exhibit L – Reclamation Costs

3. The Applicant has provided a cost estimate from bids associated with 2016 slurry wall construction in Fort Collins, Colorado. The bid does not identify the operation it is associated with and the Division has no way of verifying whether the conditions of the slurry wall installation at the Fort Collins site are comparable to the Irwin/Thomas Mine. In order for the Division to consider the Operator's financial warranty estimate for the installation of the slurry wall, a site specific bid must be provided to the Division.

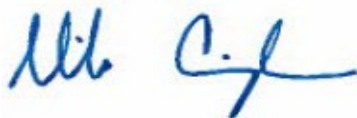
6.4.19 Exhibit S – Permanent Man-made Structures

4. The Operator has provided a commitment to transition from a vertical mining face to a 3H:1V slope at a distance of 150 ft. from permanent man-made structures. In addition, the Operator has committed to mine no closer than 75 ft. from the top of the mining slope to all permanent man-made structures. These commitments do not comply with the requirements of Rule 6.4.19. In order for the Division to consider the Operator's proposal, a demonstration that structure agreements have been provided to all structure owner's must be made. The Division informed the Applicant of this requirement in the Adequacy Review No. 1 letter dated December 2, 2016 and in the Adequacy Review No. 2 letter dated April 17, 2017. Please provide a demonstration that structure agreements have been provided to all owners of permanent man-made structures.
5. Please provide a revised Mining Plan and Mining Plan Map which reflects the proposed commitments discussed under Item No. 4 of this letter.

As previously mentioned, if you are unable to provide satisfactory responses to any inadequacies prior to August 28, 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,

A handwritten signature in blue ink, appearing to read "Mike C.", is positioned above the typed name of the sender.

Michael A. Cunningham
Environmental Protection Specialist

CC: Wally Erickson, DRMS
Amy Eschberger, DRMS