



## COLORADO

Division of Reclamation,  
Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215  
Denver, CO 80203

September 29, 2017

Mr. Mark Abrams  
Viscount Colorado Holdings, LTD  
P.O. Box 33955  
Reno, NV 89533

**Re: Viscount Resources/Viscount Colorado Holdings Ltd, DRMS File No. P-2016-019;  
Second Notice of Deficiencies for NOI Modification (MD-01)**

Dear Mr. Abrams:

On September 22, 2017 the Division of Reclamation, Mining and Safety (Division) received your response to our Notice of Deficiencies (NOD) for your application to modify (MD-01) your Notice of Intent to Conduct Prospecting Operations (NOI). The Division has reviewed the NOD response and is satisfied with the responses. However, the inclusion of the requested map has raised additional issues related to the location of the proposed drilling activities. Please address the following items:

**NOI Map:**

1. Potential Conflicts – The NOI modification application proposes drilling activity in and on the edge of the Silver Cliff Pit (Permit No. M-2011-015) permitted by Seifert Enterprises, LLC which is an active mine. As such, assigning responsibility for site reclamation is of concern to the Division, the mine reclamation permittee, the landowner, and the exploration company (NOI holder). In order to significantly reduce the potential for conflict in this instance, the Division requires the following:
  - a. Pursuant to C.R.S. 34-32-102(1), the Division is tasked with encouraging “the orderly development of the state's natural resources ...”. Please provide a statement of “No Conflict” from the current permittee (Seifert Enterprises, LLC), on their letterhead acknowledging they are aware of the proposed exploration activities, the borehole abandonment procedures and that they have no conflict with the activities as proposed.
  - b. Pursuant to Rules 3.1 and 5.4, please describe how the proposed drill hole abandonment; drill pad and mud pit reclamation will differ for holes drilled in the Silver Cliff Pit affected area; and how the hole abandonment plug will be safeguarded from mine operations performed by Seifert Enterprises or their Operators/Contractors.

**Financial Warranty:**

The Division has reviewed the original NOI estimate a cost to reclaim the site based on the MD-01 application and your response to the first NOD. The \$16,134.00 financial warranty currently held by the Division is deemed adequate for MD-01, given the reclamation accomplished to date. Unless,




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there are issues associated with the response Items 1a and 1b above, the Division anticipates the current bond will be adequate for activities proposed under MD-01.

Pursuant to Rule 5.1.3(c), the above deficiencies are required to be addressed within 60 days of this notice or the Division may deny the modification application. **Please be advised the Viscount Colorado Holdings Ltd Prospecting Modification Application may be deemed deficient and the application may be denied on November 28, 2017** unless the abovementioned deficiencies are addressed to the satisfaction of the Division.

If you have any questions, please contact me (303-866-3567 ext. 8169).

Sincerely,

A handwritten signature in blue ink, appearing to read 'Timothy A. Cazier', with a stylized flourish at the end.

Timothy A. Cazier, P.E.  
Environmental Protection Specialist

ec: Wally Erickson, DRMS  
DRMS file  
Stephanie Carter, BLM  
Harald Hoeberg, Viscount