



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

1313 Sherman Street, Room 215
Denver, CO 80203

December 8, 2017

Mr. Paul Newman
Colorado Legacy Land LLC
4601 DTC Blvd., Suite 130
Denver, CO 80231

RE: Schwartzwalder Mine; DRMS File No. M-1977-300; Notice of Receipt of Comments
(SO01)

Dear Mr. Newman,

On December 6, 2017, the Division received comments from the City of Arvada regarding the proposed permit transfer for the the Schwartzwalder Mine. The comments have been enclosed for your review.

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

Sincerely,

Michael A. Cunningham
Environmental Protection Specialist

Enclosure (1)

CC: Wally Erickson, DRMS
Ken Mushinski, Cotter Corporation





UTILITIES DEPARTMENT
FACSIMILE: 720-898-7603 ▲ TDD: 720-898-7869
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**DIVISION OF RECLAMATION
MINING AND SAFETY**

December 5, 2017

Mr. Michael A. Cunningham
Environmental Protection Specialist
Division of Reclamation, Mining and Safety
Colorado Department of Natural Resources
1313 Sherman Street, Room 215
Denver, CO 80203

RE: Succession of Operators – Schwartzwalder Mine (M-1977-300), Jefferson County,
CO

Dear Mr. Cunningham:

The City of Arvada has recently become aware of an application by the Cotter Corporations to transfer and succession Permit M-1977-300 (Schwartzwalder Mine) to Colorado Legacy Land, LLC. We understand that Denver Water has provided a detailed letter reiterating the status of uranium contamination in water sources and storage facilities that serve Denver Water customers, the source of which is a facility owned and operated by Cotter. The City of Arvada re-affirms Arvada remains concerned about the proposed application submitted by Cotter to transfer the Permit to Colorado Legacy Land, LLC for the purpose of managing the long-term operations of the Schwartzwalder Mine.

The City supplies water for its 116,000 residents from Ralston Reservoir and Arvada Reservoir, which are on Ralston Creek and approximately 3 miles downstream from the Schwartzwalder Mine. Actual uranium mining at the Schwartzwalder Mine ended over a decade ago and the site has been in a reclamation status since that time. The location of the mine adjacent to Ralston Creek results in a continuous flow of ground water through and out of the mine system into Ralston Creek. This outflow water does not meet stream standards and active treatment systems are necessary to prevent pollution of Ralston Creek. The indications are that active treatment systems will be needed indefinitely.

The record is bereft of evidence that the requested transfer will further the requirements of Permit No. M-1977-300. To the contrary, Colorado Legacy Land LLC is a recently formed Delaware corporation with no record of performance, or demonstration of financial or technical ability to comply with the requirements of the Permit. Arvada submits that no public purpose is served by the transfer, and no public benefit has been demonstrated by Cotter that would justify the transfer at this time. Arvada submits the transfer merely serves to cloud the chain of responsibility and can only be construed as serving to narrow the financial and legal interests of Cotter in fulfilling its obligations under the Permit.

Arvada concurs with the conclusions made by Denver Water and fully endorses their recommendation. Specifically, Arvada submits that consideration of the transfer request be

tabled until such time that Cotter conclusively establishes to the City's satisfaction that CLL has the financial and technical resources immediately in hand to fulfill the long term mitigation requirements of the Permit. At that time, a more thorough and informed review of the request can be performed.

Respectfully,



James M. Sullivan
Director of Utilities
720.898.7760