



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

1313 Sherman Street, Room 215
Denver, CO 80203

January 26, 2018

Mark Steen
Colorado Milling Company, LLC
P.O. Box 1523
Longmont, CO 80502

RE: Gold Hill Mill; DRMS File No. M-1994-117; Adequacy Review No. 1 (AM01)

The Division of Reclamation, Mining and Safety has completed its preliminary adequacy review of your 110(2) Hard Rock Reclamation Permit Amendment Application. The application was received on December 19, 2017 and called complete for review on January 4, 2018. The Decision date for this application is February 5, 2018. **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.**

In general the application was substantially adequate; however, as with most applications there are a few items that will require the submittal of additional information or clarification of the existing information. Inadequacies are identified under the respective exhibit heading along with suggested actions to correct them.

1. The Division received comments from Boulder County Parks and Open Space, Boulder County Land Use Department, Colorado Historical Society, Division of Water Resources and Pine Brook Water District. The comments have been attached for your review, please make any changes to the application as necessary.
2. As required by Rule 1.6.2(d) and 1.6.5(2), please submit proof of publication in a newspaper of general circulation in the locality of the proposed mining operation.
3. As required by Rule 1.6.2 (e), please submit proof of the notice to all owners of record of surface and mineral rights of the affected land and the owners of record of all land surface within 200 feet of the boundary of the affected land including all easement holders located on the affected land and within 200 feet of the boundary of the affected land. Proof of notice may be return receipts of a Certified Mailing or by proof of personal service.



4. Pursuant to Rule 1.10(2), a 110 Amendment Application is not required to contain information which duplicates applicable previous submittals. However, the Applicant shall clearly describe where, in the original Application and supporting documents, the information not included in the Amendment Application , but necessary to render the Amendment technically adequate, may be found. The Amendment Application contains several references to the approved Reclamation Permit. The Applicant shall revise the Application Exhibits which reference the approved Reclamation Permit, to include the specific document name(s) and date(s) in which the existing information may be found.

Application

5. The latitude/longitude coordinates provided on page 3 of the Application Form do not correspond to the primary mine entrance location. Please review and revise the latitude/longitude coordinates on page 3 of the Application Form to correspond with the primary entrance to the Gold Hill Mill.

6.3.1 Exhibit A – Legal Description and Location Map

6. Pursuant to Rule 6.3.1(1), the legal description must identify the affected land, specify affected areas and be adequate to field locate the property. The legal description provided under Exhibit A only describes the affected land of the 0.797 acres which are being added to the existing permit area of 8.4 acres. Please revise the legal description to include the entire affected area of the Gold Hill Mill operation.
7. Pursuant to Rule 6.3.1(2), the latitude and longitude coordinates of the main entrance to the mine must be labeled. Please revise the Location Map to include the coordinates of the mine entrance.
8. Pursuant to Rule 6.3.1(3), the Location Map must show the names of all immediately adjacent surface owners of record. Please revise the Location Map to show the names of all immediately adjacent surface owners for the entire affected area of the Gold Hill Mill operation. In addition, the Location Map must contain a label with the mine site name.

6.3.2 Exhibit B – Site Description

9. Pursuant to Rule 6.3.2(b), all permanent man-made structures within 200 feet of the affected area and the owner of each structure must be identified. The list of structures must be revised to include the owners of each structure. In addition, the list must be revised to include any permanent man-made structures within 200 feet of the entire affected area of the Gold Hill Mill operation.

10. Exhibit B states three permanent man-made structures are located within 200 feet of the affected area. This contradicts the statement made under Exhibit L which indicates there are seven permanent man-made structures within 200 feet of the affected area. Please clarify this discrepancy and make the necessary changes to the appropriate Application Exhibit.
11. Exhibit B references the approved Reclamation Permit for a complete list of native vegetative species and wildlife species found at the site, as well as water quality sampling and analytical data from sampling the water in Left Hand Creek. Please revise Exhibit B to include a specific reference to this information. Please see additional comments under Item No. 4.

6.3.3 Exhibit C – Mining Plan

12. Pursuant to Rule 6.3.3(1)(a), the Applicant is to specify the estimated date that mining will end. The Division understands the life of the mine is in part determined by commodity prices. Please provide an estimate of the date that mining will end based on current commodity prices. In addition, provide an estimate of how long the mill can operate at full capacity before the tailings impoundment is full.
13. The Division requests the following information regarding the installation of the Gold Hill Mill Pipeline:
 - a) Specify the length of the pipe segments which will be used to construct the Gold Hill Mill Pipeline.
 - b) Specify the number of welds required to fuse the pipe segments together.
 - c) Specify the QA/QC procedures which will be used to verify the pipe segment welds were performed properly.
 - d) Specify the pressure rating of the HDPE pipeline.
 - e) Calculate the potential surge pressure within the HDPE pipeline.
12. Specify the depth and total length of each segment of the pipeline to be buried.
13. Identify where the check valves and anti-siphon valves will be installed by labeling these features on a revised Mining Plan Map.
14. Clarify if the pump will have an automatic shut-off system installed or otherwise describe what measures will be used to ensure the pump does not continue to operate in the event there is a failure of the pipeline.
15. The Operator has committed to removing the existing pipeline before installing the new 2” HDPE pipeline. Please clarify if there are any segments of the existing pipeline which must be excavated. If so, provide an estimate of the size of the area which must be excavated and

describe how the land will be stabilized to prevent erosion and siltation of the affected lands and offsite areas.

16. Specify if any trees will need to be removed during installation of the Gold Hill Mill Pipeline. If trees will be removed, specify how the woody materials would be put to a beneficial use as required by Rule 3.1.9(2).
17. Provide a description of the piping and other infrastructure which will be placed directly in Left Hand Creek.
18. Specify the total volume of fuel which will be stored at the pump house, if any. In addition, describe the secondary containment which will be used to contain all stored fuel.
19. Clarify if there is any other existing infrastructure in addition to the PVC pipeline which must be removed before the new HDPE pipeline is installed.
20. The proposed location of the pump house and footbridge is within the floodplain of Left Hand Creek and this area was heavily impacted by the floods of 2013. Pursuant to Rule 3.1.6(1), disturbances to the prevailing hydrologic balance of the affected land and of the surrounding area and to the quantity and quality of water in surface and groundwater systems shall be minimized. The Division is concerned the pump house and associated infrastructure has the potential to be mobilized during a flood event. If this were to occur, the generator would likely release fuel or oil into the floodwaters. In addition, there is the potential the pump house could become lodged on the upstream side of any bridges located downstream of the pump house location, causing a further impediment to the passage of floodwaters. Please describe how the Operator intends to minimize these potential impacts during a flood event.
21. The approved Reclamation Permit allows the Operator to store water in the underground working of the Times and Wynona Mines. The Reclamation Permit states there is sufficient capacity within the Times and Wynona Mine to store water to be used in the operation of the mill. The Operator's water right will allow a maximum of 22.53 acre-feet per year to be diverted from Left Hand Creek. The Division requests the following information related to the storage of water in the Times and Wynona Mine:
 - a) Specify the total volume of water which can be stored in the underground workings of the Times and Wynona Mines.
 - b) Provide a detail drawing which depicts all portions of the Times and Wynona Mines which would be used to store water and which shows how the Times and Wynona Mines are connected.
 - c) Provide a description of how water will be discharged into the mine and specify where within the Times Mine the water will be discharged. The description shall account for any supporting infrastructure associated with the delivery of water.

22. The Operator's water right allows for diversion of 10.4 acre-feet of water per dry year and 22.53 acre-feet of water in a wet year. Please clarify how a dry year versus a wet year is determined.
23. The approved Reclamation Permit references a bulkhead within the Times Mine. A review of the permit file found the Division does not have any information about the bulkhead. Please confirm there is a bulkhead within the Times Mine and provide a detail drawing of the bulkhead, a description of how the bulkhead was constructed, and specify where within the Times Mine portal the bulkhead is located.
24. The Reclamation Plan includes a statement which indicates there is the potential for water to flow from the Times Mine adit. Please verify if the Times Mine currently retains groundwater. In addition, clarify if there have been seasonal discharges of groundwater from the Times Mine during periods when the mine has been inactive and provide the Division with the results of water quality sampling within the Times Mine, if available.
25. The Operator is proposing to store fresh water from Left Hand Creek in the underground workings of the Times and Wynona Mines. As required by Rule 6.3.3(1)(j), specify how the Operator will ensure there is no injury to existing water rights as a result of comingling fresh water with groundwater. The Operator has stated a meter will be installed at the pump to monitor the amount of water diverted from Left Hand Creek. How will the Operator monitor the amount of water which is pumped from the Wynona Mine?
26. As noted above, the Operator will comeingle fresh water pumped from Left Hand Creek with groundwater which is currently in the underground mine workings. As required by Rule 6.3.3(1)(i), describe how mining will affect the quality of groundwater and describe the methods used to minimize disturbance to the groundwater systems.
27. The Mining Plan calls for installing a footbridge over Left Hand Creek. Please clarify why a footbridge is necessary if the pump house will be located on the south side of Left Hand Creek.
28. As required by Rule 6.3.3(1)(h), specify how much water will be used in conjunction with the operation. The estimate may be based on annual consumption rates when the mill is operating at full capacity.
29. The Hazel A adit was previously utilized to manage the water balance at the mill. The authorization to use the Hazel A adit was primarily based on a lack of adequate storage capacity within the tailings pond to contain a 100 year – 24 hour storm event. On August 5, 1998, the Division approved Technical Revision No. 3, which addressed the expansion of the tailings pond and eliminated the need to utilize the Hazel A adit for additional water storage capacity. On November 11, 2002, the Division received correspondence from Mr. Steen which confirmed the Hazel A adit would no longer be used to store water. A review of the

permit file found there are a number of unresolved issues relating to water storage within the Hazel A adit. In order for the Division to determine if the Hazel A adit and attending infrastructure should be included in the affected area, the following information must be provided:

- a) Clarify if the decant lines, which connected the tailings pond with the Hazel A adit were removed. If so, provide documentation to demonstrate the removal and proper disposal of the decant lines. (*Inspection Report dated May 20, 1999, noted the decant lines were still in place.*)
 - b) Demonstrate the tailings placed within the Hazel A adit were removed. (*In a letter dated October 10, 1995, the Division informed the Operator the tailings which were deposited behind the bulkhead within the Hazel A adit were to be removed and deposited in the tailings pond. On November 21, 1995, the Division approved a plan for removal of tailings within the Hazel A adit. In a letter dated, December 15, 1995, the Operator submitted a letter which indicated the tailings were removed. In a letter dated December 17, 1997, the Division noted the Operator had not demonstrated the tailings had been removed from the Hazel A adit. On August 14, 1998, the Operator acknowledged the tailings within the Hazel A adit must be removed.*)
 - c) Clarify if the bulkhead is still present within the Hazel A adit.
 - d) Clarify if a discharge permit has been obtained for the Hazel A adit. (*In a letter dated December 17, 1997, the Division notified the Operator the adit would not be allowed to free drain until such time as a discharge permit was obtained from the Water Quality Control Division. Alternately, the Operator could petition the Water Quality Control Division for a finding that discharges from the adit do not require a discharge permit.*)
30. Please provide a comprehensive list of the chemicals which will be used at the mill, including total volumes. In addition, provide a comprehensive inventory of all chemicals currently stored at the mill, including the volume of each chemical stored. This information is necessary to evaluate whether this operation meets the definition of a designated mining operation and to calculate the required financial warranty.
31. The approved Reclamation Permit specifies xanthate will be used in the mill. Please specify the type of xanthate which will be used.

6.3.4 Exhibit D – Reclamation Plan

32. Section No. 1 of the Reclamation Plan references an incorrect permit number (M-1999-117). Please correct this section of the Reclamation Plan. In addition, specify where within the permit file the pertinent documents may be found. See additional comments under Item No. 4 of this letter.

33. The Reclamation Plan states the water pipeline within the Times Mine adit will be decommissioned by capping the pipeline to prevent water from discharging from the mine. The Division will require the pipeline to be removed or grouted for its entire length. Please revise the financial warranty estimate to account for this reclamation task.
34. The reclamation cost estimate is structured as an incremental acreage increase, which is based on the cost of the individual reclamation tasks applied on a per acre basis. The Division does not calculate financial warranties solely on the basis of acres disturbed, but rather on the specific reclamation task which must be accomplished. Therefore, any increase over the current financial warranty amount of \$56,200.00 must account for the full cost of the identified reclamation tasks. Please revise the financial warranty accordingly. The Division will calculate the required financial warranty once all of the adequacy items have been addressed.

6.3.5 Exhibit E – Map

35. The Mining Plan and Reclamation Plan Maps only depict the affected area of 0.797 acres which are being added through the Amendment Application. Please revise both maps so the entire affected area of the Gold Hill Mill operation is depicted.
36. As required by Rule 6.3.5(2)(e), the Mining Plan Map must note the location of any permanent man-made structures within 200 feet of the affected area. Please ensure the structures on the Mining Plan Map can be correlated with the description of the structure owners in Exhibit B.
37. The Mining Plan Map does not depict the proposed footbridge. Please revise the Mining Plan Map to include an outline and label for the footbridge.

6.3.6 Exhibit F – List of Other Permits and Licenses

38. The permit file for the Gold Hill Mill contains correspondence from the Bureau of Land Management (BLM) dated April 3, 2013, which ordered an immediate, temporary suspension of operations until such time as a Plan of Operations was approved. Please update the Division on the status of the Plan of Operations. If the Plan of Operations has not been approved, explain why and provide a plan for gaining compliance with the BLM.
39. The Applicant listed a U.S. Forest Service Plan of Operations as a permit that is potentially required. Please clarify if this permit has been obtained. If so, provide a copy of the approved Plan of Operations.
40. As noted under Item No. 1, the Division received comments from the Division of Water Resources (DWR) regarding the Operator's water right on Left Hand Creek. As required by DWR, provide a demonstration the 20 shares of water have been changed from the originally

decreed irrigation use to allow for the proposed mining/milling use. If the appropriate approvals have not been secured to use water in the mill, then Exhibit F must be revised to list either a temporary substitute water supply plan or an augmentation plan as permits or approvals which must be obtained.

41. Specify if the Applicant has contacted the Air Pollution Control Division to determine if an Air Pollutant Emission Notice is required.
42. Exhibit F indicates a Utility Construction Permit is required from the Boulder County Transportation Department. Please clarify why this permit is necessary.
43. Specify if the Applicant will need a floodplain development permit to locate the pump house and attending infrastructure within the floodplain of Left Hand Creek.

6.3.7 Exhibit G – Source of Legal Right to Enter

44. The Reclamation Permit for the Gold Hill Mill was issued with a stipulation that no disturbance would occur on the Gold Crown Mining claim until such time as the Operator (Colina Oro Molino) demonstrated a legal right to enter the Gold Crown Mining claim. Please demonstrate Colorado Milling Company, LLC has the legal right to enter the Gold Crown Mining Claim to conduct mining and reclamation.

6.3.8 Exhibit H – Municipalities Within a Two Mile Radius

No comment.

6.3.9 Exhibit I – Proof of Filing with County Clerk

No comment.

6.3.10 Exhibit J – Proof of Mailing of Notices to Board of County Commissioners and Soil Conservation District

No comment.

6.3.12 Exhibit L – Permanent Man-Made Structures

45. The Applicant has stated there are seven permanent man-made structures located within 200 feet of the affected land. Please revise Exhibit L to include a detailed list of all permanent man-made structures for the entire affected area of the Gold Hill Mill.

46. As required by Rule 6.3.12, the Applicant shall provide information sufficient to demonstrate that the stability of any structures located within 200 feet of the affected land will not be adversely affected. A statement that mining/milling activities and reclamation will have 'no negative effect' on the permanent man-made structures is not sufficient to demonstrate the stability of the structures will not be adversely impacted.

As previously mentioned, if you are unable to provide satisfactory responses to any inadequacies prior to August 2, 2013, it will be your responsibility to request an extension of time to allow for continued review of this Amendment Application. If there are still unresolved issues when the decision date arrives and no extension has been requested, the Amendment 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 "M.A. Cunningham".

Michael A. Cunningham
Environmental Protection Specialist

Enclosures (5)

CC: Wally Erickson, DRMS



STATE OF
COLORADO

Cunningham - DNR, Michael <michaela.cunningham@state.co.us>

Colorado Milling Company LLC - MLRD Limited Impact 110(2) Permit No. M-1994-117

1 message

Carson Hatcher, Mindy <mcarsonhatcher@bouldercounty.org>

Tue, Jan 23, 2018 at 4:11 PM

To: "michaela.cunningham@state.co.us" <michaela.cunningham@state.co.us>

Cc: "Burghardt, Kristina" <kburghardt@bouldercounty.org>

TO: Michael Cunningham

Environmental Protection Specialist, DRMS

[Michaela.cunningham@state.co.us](mailto:michaela.cunningham@state.co.us)

RE: MLRD Limited Impact 110(2) Permit No. M-1994-117; Colorado Milling Company LLC Gold Hill Mill

Dear Mr. Cunningham,

Boulder County Parks and Open Space (BCPOS) acknowledges receipt of the notice by Colorado Milling Company LLC (CMC) of its application for an amendment to MLRD Limited Impact 110(2) Permit No. M-1994-117. The water pipeline referenced in the application runs across BCPOS property and is subject to an existing easement between Boulder County and CMC. BCPOS staff will ensure that any activity CMC conducts with respect to the pipeline on BCPOS property will be done pursuant to the terms of the easement. Staff will also monitor CMC's activity on Parks and Open Space property to ensure that the property's resources are protected.

Thank you.

Tina Burghardt, Land Officer

Boulder County Parks & Open Space

5201 St. Vrain Road

Longmont, CO 80503

720.864.6533

kburghardt@bouldercounty.org



Parks &
Open Space



STATE OF
COLORADO

Cunningham - DNR, Michael <michaela.cunningham@state.co.us>

Fwd: Permit M-1994-117 Revision AM-01

1 message

Grimm, Denise <dgrimm@bouldercounty.org>
To: Michael Cunningham <michaela.cunningham@state.co.us>

Tue, Jan 23, 2018 at 5:57 PM

----- Original message -----

From: "Grimm, Denise" <dgrimm@bouldercounty.org>
Date: 01/23/2018 3:44 PM (GMT-07:00)
To: michaela.cunningham@state.co.us
Subject: Permit M-1994-117 Revision AM-01

In response to the request for comments on this project, please keep Boulder County Land Use informed of any changes or progress with this application. We have not fully evaluated this application to determine a complete list of the necessary permits and review processes that may be required by Boulder County.

Please be aware that there may need to be building permits and/or Land Use or County reviews for this project. It crosses land with a Boulder County Conservation Easement and may need specific approval from the county for that as well.

Denise Grimm, AICP

Senior Planner

Boulder County Land Use Department

P.O. Box 471

Boulder, CO 80306

(720) 564-2611

dgrimm@bouldercounty.org

1



OFFICE of ARCHAEOLOGY and HISTORIC PRESERVATION

RECEIVED

JAN 25 2018

DIVISION OF RECLAMATION
MINING AND SAFETY

JAN 23 2018

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

Re: Notice of 110(2) Hard Rock/Metal Mining Materials Reclamation Permit Amendment
Application Consideration, Colorado Milling Company, LLC, Gold Hill Mill, Permit No. M-
1994-117 - AM01 (HC #21796)

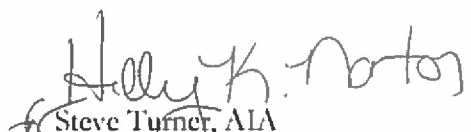
Dear Mr. Cunningham:

We received your correspondence dated January 5, 2018 on January 9, 2018 initiating
consultation with our office under the State Register of Historic Places Act (CRS 24-80-1 et
seq.) for the above referenced permit application.

A search of our database indicates that no cultural resource inventory has been conducted
within the proposed permit area and no properties of historical significance have been recorded
therein. As most of Colorado has not been inventoried for cultural resources, our files contain
incomplete information. Consequently there is the possibility that as yet unidentified cultural
resources exist within the proposed permit area. The requirements under CRS 24-80 part 13
apply and must be followed if human remains are discovered.

We thank you for the opportunity to comment. If we may be of further assistance, please
contact Bob Cronk, Section 106 Compliance Manager, at (303) 866-4608 or
robert.cronk@state.co.us.

Sincerely,


Steve Turner, AIA
State Historic Preservation Officer
1200 Broadway
Denver, CO 80203



COLORADO
Division of Water Resources
Department of Natural Resources

1313 Sherman Street, Room 821
Denver, CO 80203

Response to 110(2) Hard Rock/Metal Mining Materials Reclamation Permit Amendment Application

DATE: January 25, 2018
TO: Michael A. Cunningham, Environmental Protection Specialist
(michaela.cunningham@state.co.us)
CC: Division 1 Office, District 5 & 6 Water Commissioners
FROM: Sarah Brucker, P.E. *SB*
RE: Gold Hill Mill, File No. M-1994-117 - AM01
Applicant/Operator: Colorado Milling Company, (303) 588-1119
Sections 2, 11 & 12, Twp 1 North, Rng 72 West, 6th P.M., Boulder County

CONDITIONS FOR APPROVAL

- ☒ The proposed operation does not anticipate exposing groundwater. Therefore, exposure of ground water must not occur during or after mining operations.
- ☒ The proposed operation will consume surface water by: ☐ evaporation, ☐ dust control, ☐ reclamation, ☐ water removed in the mined product, ☒ processing, ☐ other: _____.
- ☒ **Prior to initiation of these uses, the applicant will need to obtain either an approved substitute water supply plan or decreed plan for augmentation allowing for such commercial/industrial use of the water.**
- ☒ If stormwater runoff is intercepted by this operation and is not diverted or captured in priority, it must be released to the stream system within 72 hours. This may require a discharge permit from CDPHE-WQCD. Otherwise, the operator must make replacements for evaporation.

COMMENTS: The Gold Hill Mill is a mineral processing facility located just outside the settlement of Gold Hill, Colorado. The subject application seeks an amendment to add 0.797 acres to the currently permitted 8.390 acres, for a total permitted area of 9.187 acres in order to ensure that all lands affected by the mining reclamation activities are located within the permit boundary. The site is proposed to be reclaimed to its pre-mining use of forestry/open space.

Water for operations at the site is to be provided by 20 shares of stock in the Left Hand Ditch Company purchased by the Colorado Milling Company. The anticipated yield from the subject shares varies from approximately 10.4 acre-feet in a dry year to 22.5 acre-feet in a wet year. The subject shares will be diverted at a point on the south bank of Left Hand Creek. Water will be pumped via the Left Hand Creek Pump Station and conveyed to the site via the Gold Hill Mill Pipeline. The proposed maximum diversion rate is 50 gallons per minute, and diversions will be limited to the irrigation season of April 1 to October 31. A continuous measuring device is proposed to be installed at the point of diversion.

The Left Hand Ditch Company obtained a decree in case no. CA-1284 for a total of 726 cfs in the Left Hand Ditch for irrigation purposes. The Applicant has provided no evidence that the 20 shares they purchased have been changed from the originally decreed irrigation use to allow for the proposed mining/milling use. Unless



previously changed by a decree of the water court, the Applicant will need to obtain either an approved substitute water supply plan or decreed plan for augmentation allowing for such commercial/industrial use of the water.

Based on the lack of evidence that the subject water supply is decreed for mining/milling use, this office objects to the proposed amendment. The applicant may contact the State Engineer's Office with any questions.





STATE OF
COLORADO

Cunningham - DNR, Michael <michaela.cunningham@state.co.us>

Permit M-1994-117 Revision AM-01

bob@pinebrookwater.com <bob@pinebrookwater.com>

Wed, Jan 24, 2018 at 12:55 PM

To: "Eschberger - DNR, Amy" <amy.eschberger@state.co.us>, Dick Cole <goldhillcole@gmail.com>

Cc: michaela.cunningham@state.co.us, Contact@pinebrookwater.com, cdphe.comments.wqcd@state.co.us, waterquality@lefthandwater.org, healthinfo@bouldercounty.org, gretchendief <gretchend@mac.com>, "Carson Hatcher, Mindy" <mcarsonhatcher@bouldercounty.org>, rogerflynn@colorado.edu, abutler@bouldercounty.org, kmartinez@bouldercounty.org, Michael.Cunningham@state.co.us, dcase@bouldercounty.org, huttonk@bouldercolorado.gov, taddeucciJ@bouldercolorado.gov

To All Concerned Parties,

As the manager of the Pine Brook Water District we would like to note that our concern is definitely water quality. As Dick Cole noted almost any release of water from the mines in question or the tailings pond located at the Mill site drains down Cash Gulch and into Four Mile Creek.

Four Mile Creek is our primary source of water which we treat for potable water use to our community. The Pine Brook Water District is a special district as defined by the State of Colorado and therefore is a governmental entity. We do have a complete treatment system which removes most contaminants.

However the result is that those contaminants then end up as part of our waste sludge. If the contaminants are found to be at to high of a level in our sludge then we have to have a specialty hauler dispose of them at a cost that is 6 times the normal cost. This has actually occurred post 2013 flood as many of the tailing piles in the area were disturbed by that flood. The concentrations of those contaminants is now slowly dropping as the area is stabilized.

We have stated that while we have no objection to the mine operation per se, however we do feel that given its history and the potential to contaminate Four Mile Creek that safeguards must be imposed and strictly enforced. That full water testing at approved monitoring sites should also be part of any permit.

While this is important to our operations, it is even more important for the many, many home owners who live along the creeks below the mine and all the way down to the City of Boulder. Most of these homes have wells with limited treatment. Nor is that treatment designed to remove/treat for the types of contaminants which can occur from mining operations. These homes are not within our service area and so do not receive the treated water we produce but rather are dependent on the natural flows of the creeks.

As Dick noted, there have been past violations which have occurred while the mine was under various management companies, but the common thread has been that the owner was actively involved also.

As for the water rights issues noted the only stance we have is that there must be a proper augmentation plan to protect the flows of the creeks, streams, etc down

gradient from the mine and the water right holders who then withdraw their water under their water rights.

Sincerely,

Robert de Haas, Manager
Pine Brook Water District
1903 Linden Drive, Boulder, CO 80304
303-443-5394 - Office
303-817-8153 - Cell
303-415-0621 - Fax