

United States Department of the Interior



BUREAU OF LAND MANAGEMENT GUNNISON FIELD OFFICE 210 West Spencer, Suite A Gunnison, CO 81230

(970) 642-4940

In Reply Refer to: 3809 (COF07, dl) COC-79251

SEP 2 4 2018

CERTIFIED MAIL RETURN RECEIPT REQUESTED

DECISION

Operator:

McFarland Enterprises, Inc.

c/o Ken Schaaf, ITC Resources

P.O. Box 563

Delta, Colorado 81416

43 CFR 3809 - Surface Management

Notice

Determination of Required Financial Guarantee Amount

Your Notice has been assigned Bureau of Land Management (BLM) case file number COC-79251. Please refer to this number any future communication concerning the Notice.

Your Notice for exploration operations was received in this office on September 10, 2018. As of September 21, 2018, your Notice was complete and contains all information required by BLM surface management regulations at 43 CFR 3809.301.

Your Notice proposes to access an existing adit and construct safety features as required under Colorado law. The proposed operations was reviewed by various resource specialists who have determined the operation, as proposed, will not cause unnecessary or undue degradation as defined under 43 CFR 3809.5.

Amount of Financial Guarantee - This office has reviewed your reclamation cost estimate and has concurred with the Colorado Division of Reclamation, Mining and Safety (DRMS) that the amount of \$10,000.00 is sufficient to meet all anticipated reclamation requirements. That amount has been received and accepted by DRMS for permit #M-2017-044. The amount of the reclamation cost estimate was based on the operator complying with all applicable operating and reclamation requirements.

All line items contained in the approved reclamation cost estimate are not to be considered as the limits of financial guarantee expenditures in that respective category or task should forfeiture of the financial guarantee be necessary. The line items listed are solely for the purpose of arriving

at a total amount for the financial guarantee. This total amount may be spent however the BLM deems necessary to implement the approved reclamation plan, and does not represent a reclamation cost limit or constraint.

BLM's review of your proposed operations, determination that your Notice filling is complete, determination that your operations as proposed will not cause unnecessary or undue degradation, and decision concerning the amount of the required financial guarantee does not relieve you, the operator, of your responsibility to be in compliance with all applicable Federal, State and local laws and regulations, and to obtain all applicable Federal, State and local authorizations and permits. You are responsible for preventing any unnecessary or undue degradation of public lands and resources, and for reclaiming all lands disturbed by your operations.

Required Financial Guarantee - A financial guarantee in the amount of \$10,000.00 has been filed and accepted by the Colorado Division of Reclamation, Mining and Safety (DRMS). The financial guarantee must be payable to both DRMS and Department of the Interior-Bureau of Land Management, Colorado State Office. You must receive written notification from that office accepting and obligating your financial guarantee before you may begin any surface disturbing operations. Operations may now commence per your accepted Notice as the bond was filed with DRMS and a copy of the bond was submitted to this office.

This decision does not constitute: certification of ownership to any entity named in the Notice; recognition of the validity of any associated mining claims; or recognition of the economic feasibility of the proposed operations.

<u>Term of Notice</u> - Your Notice will remain in effect for 2 years from the date of this decision, unless you notify this office beforehand that operations have ceased and reclamation is complete. If you wish to conduct operations for another 2 years after the expiration date of your Notice, you must notify this office in writing on or before the expiration date as required by 43 CFR 3809.333.

Appeal of the Decision Determining the Required Financial Guarantee Amount - If you do not agree and are adversely affected by this decision, you may request that the Colorado BLM State Director review this decision. If you request a State Director Review, the request must be received in the Colorado BLM State Office at 2850 Youngfield Street, Lakewood, CO 80215, no later than 30 calendar days after you receive or have been notified of this decision. The request for State Director Review must be filed in accordance with the provisions in 43 CFR 3809.805. This decision will remain in effect while the State Director Review is pending, unless a Stay is granted by the State Director. If you request a Stay, you have the burden of proof to demonstrate that a Stay should be granted.

If the State Director does not make a decision on your request for review of this decision within 21 days of receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You may contact the Colorado BLM State Office to determine when BLM received the request for State Director Review. You have 30 days from the end of the 21day period in which to file your Notice of Appeal with this office at BLM Gunnison Field Office, 210 W. Spencer Ave., Suite A, Gunnison, CO 81230,

which we will forward to IBLA.

If you wish to bypass a State Director Review, this decision may be appealed directly to the IBLA in accordance with the regulations at 43 CFR 3809.801(a)(1). Your Notice of Appeal must be filed in this office at BLM Gunnison Field Office, 210 W. Spencer Ave., Suite A,, Gunnison, CO 81230 within 30 days from receipt of this decision. As the appellant you have the burden of showing that the decision appealed from is in error.

If you wish to file a petition pursuant to regulations 43 CFR 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the IBLA, the petition for a stay must accompany your Notice of Appeal. Copies of the Notice of Appeal and petition for a stay must also be submitted to each party named in the decision and to the Office of the Solicitor at Regional Solicitor, Rocky Mountain Region, 755 Parfet Street, Suite 151, Lakewood, CO 80215, at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted based on the standards listed below.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

- 1. The relative harm to the parties if the stay is granted or denied,
- 2. The likelihood of the appellant's success on the merits,
- 3. The likelihood of immediate and irreparable harm if the stay is not granted, and
- 4. Whether the public interest favors granting the stay.

<u>Contact</u> - If you have any questions, please contact David Lazorchak, Geologist, at (970) 642-4940 or at the above address.

Elijah Waters

Cc: Lucas West, CO DRMS, Grand Junction Office, 101 South 3rd Suite 301, Grand Junction, CO 81501 Keith McFarland, McFarland Enterprises, Inc., 1081 Mineral St., PO Box 617, Silverton, CO 81433