



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

1313 Sherman Street, Room 215
Denver, CO 80203

October 16, 2018

Mr. Rick Steiskal
Black Mountain Sand DJ LLC
420 Commerce Street, Suite 500
Fort Worth, TX 76102

Re: Black Mountain Sand DJ LLC; Lost Creek Mine; M-2018-051; Incomplete Submittal of 112 Construction Materials Reclamation Permit Application Package

Mr. Steickal,

On October 3, 2018, the Division of Reclamation, Mining and Safety (Division/DRMS) received the 112 Construction Materials Reclamation Permit Application package for the Lost Creek Mine. Preliminary review of the information received determined the following items must be received before the Division can consider the application as being submitted and technical review can begin:

Application Form

1. The Division requires the permit application list the exact company name registered with the Colorado Secretary of State office, "Black Mountain Sand DJ LLC". Please revise the company name on Page 1, Item #1 of the application form, to indicate "Black Mountain Sand DJ LLC", instead of "Black Mountain Sand DJ, LLC".
2. On Page 1, Item #2 - Operation Name, the Applicant indicated the proposed site name as "Lost Creek, CO". The application exhibits submitted by the Applicant refer to the site as "Lost Creek Mine". Please confirm the Applicant intends to name the site "Lost Creek, CO".
3. On Page 1, Item #5.1 - Incidental commoditie(s) to be mined, the Applicant indicated a range of lbs/Tons/yr to be mined for the first two entries. On Item #5.3 - Anticipated end use of incidental commoditie(s) to be mined section the Applicant left the entry blank. Please explain this discrepancy and revised the application form accordingly.
4. The Division requires the permit application list the exact company name registered with the Colorado Secretary of State office, "Black Mountain Sand DJ LLC". Please revise the company name on Page 3, Item #11 - Applicant/Operator and Inspection Contact sections of the



application form, to indicate "Black Mountain Sand DJ LLC", instead of "Black Mountain Sand DJ, LLC".

5. On Page 3, Item #11 - Permitting Contact, the Applicant did not indicate a permitting contact for the proposed mining operation application. Please provide a permitting contact for the proposed Lost Creek Mine application.
6. On Pages 5 and 6 of the application, the Applicant did not initial the requirements in the Responsibilities as a Permittee section of the application form. Please complete the section and submit original copies of the revised the application form pages.
7. The Division requires the Applicant to provide documentation giving the signer, Chris Axness, the authority to sign on behalf of the company, Black Mountain Sand DJ LLC. The authorization document may be in the form of by-laws, resolution, affidavit signed by corporate secretary, certified secretary statement or a notarized statement on company letterhead.
8. The Division requires the permit application list the exact company name registered with the Colorado Secretary of State office, "Black Mountain Sand DJ LLC". Please revise the company name on the Company name and notary sections of the certification page, Page 8 of the application form, to indicate "Black Mountain Sand DJ LLC", instead of "Black Mountain Sand".
9. On Page 1, Item #1.1 of the application form the Applicant indicated the type of organization as a Limited Liability Corporation (LLC). Please provide the corporation seal on Page 8 of the application form, if the corporation does not have a seal please indicate "no seal".

1.6.2 - Notice Signs

10. In accordance with Rule 1.6.2(1)(b), the Applicant submitted a signed affidavit indicating a notice sign was posted at the proposed mine site. The Division is unable to determine if multiple notice signs were posted, as required by Rule 1.6.2(1)(b). Please provide a map indicating the approximate locations of the notice signs. To clearly identify the site, Division recommends posting one (1) notice sign every quarter mile at the following locations: along Weld County Road 91, adjacent to Interstate I-76 and along the unnamed dirt road east of the proposed site boundary. Please provide a photograph or a detailed description of the posted notice signs.

6.4.1 Exhibit A - Legal Description

11. The main entrance to the mine site shall be located based on a USGS Topographic map showing latitude and longitude or Universal Transverse Mercator (UTM). The Operator will need to specify coordinates of latitude and longitude in degrees, minutes and seconds or in decimal degrees to an accuracy of at least five (5) decimal places (e.g., latitude 37.12345 N, longitude 104.45678 W). The Applicant did not provide the main entrance location to the proposed mine site. Please revise Exhibit A to indicate the main entrance to the proposed mine site.

6.4.18 Exhibit R - Proof of Filing with County Clerk and Recorder

12. Please provide an affidavit or receipt indicating the date on which the revised application documents were placed with the Weld County Clerk and Recorder in response to this letter.

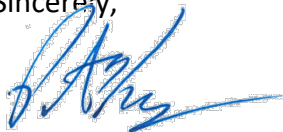
The application will not be considered submitted until the information listed above is received and found sufficient to begin our review. A decision date will be established 90 days from the date of receipt of all of the requested information. Additionally, if you have already published notice you will need to republish notice, after the Division considers the application submitted. This notice must be published once a week for four (4) consecutive weeks, starting within ten (10) days of the date your application is considered submitted. We will notify you when you should initiate republication of your notice. The final date for receiving comments is the twentieth (20th) day after the fourth publication or the next regular business day.

You have sixty (60) days from the date of this letter to submit all necessary documents the Office needs for the application to be considered filed. If, at the end of the sixty day period, the application has not been determined to be filed with the Office, the Office shall deny the application and terminate the application file.

The response due date is December 15, 2018.

This letter shall not be construed to mean there are no other technical deficiencies in your application. The Division will review your application to determine whether it is adequate to meet the requirements of the Act after submittal of all required items.

Sincerely,



Peter S. Hays
Environmental Protection Specialist

Ec: Michael Cunningham; Division of Reclamation, Mining & Safety