

GOLD HILL MILL RESPONSE LTR.docx

Mark Steen <goldtontine@gmail.com>

Thu, Jan 3, 2019 at 3:21 PM

To: Amy.Eschberger@state.co.us, michaela.cunningham@state.co.us Cc: Mark Steen <goldtontine@gmail.com>

Amy Eschberger and Michael Cunningham:

This is only a portion of what has been completed. I will continue sending the rest of my Response Letter to you as it is proofed and checked by several other people.

Mark A. Steen

Sent from my iPad

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COLORADO MILLING COMPANY, LLC P.O. Box 1523 Longmont, Colorado 80502

Colorado Division of Reclamation, Mining and Safety Amy Eschberger Environmental Protection Specialist 1313 Sherman Street – Room 215 Denver, Colorado 80203

RE: Gold Hill Mill, Permit No. M-1994-117, Amendment Application (Revision No. AM-01), Adequacy Review No. 2

ATTN: Amy Eschberger

This is the Colorado Milling Company, LLC's Response Letter to the Amy Eschberger's December 21,2018 Adequacy Review No. 2 of the Application for an Amendment to the Gold Hill Mill Limited Impact 110 (2) Permit No. M-1994-117, to formally add the previously permitted Left Hand Creek Pump Station, Gold Hill Mill Pipeline, and the Times Mine adit portal to the affected land boundary of the Gold Hill Mill Permit. These three features are collectively referred to as the Gold Hill Mill Waterline in this Response Letter. In order to ensure that the responses to the Division of Reclamation, Mining and Safety's request for additional information and clarification can be properly reviewed, the responses are set out below each of Amy Eschberger's Adequacy Review comments.

Application Form:

1) The revised page 3 of the application form includes the following coordinates for the primary mine entrance location: 40° 03' 55.74"N, 105° 24' 24.12.1"W. The seconds given for the longitude is not accurate. Based on the coordinates provided on the revised location map, the Division believes the longitude should read: 105° 24' 12.1"W. Please correct this error on page 3.

CMC Response: This has been corrected.

Exhibit B – Site Description (Rule 6.3.2):

2) The operator's response to item no. 9 states the only structures located within 200 feet of the entire affected area are three small wooden frame structures, a single family residence, several sheds, and an unused corral. However, in Exhibit L, the operator states there is a pole-mounted

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utility line extending east-west along the northern boundary of the pump station area, owned by Excel Energy Corporation. Additionally, the operator has not included Sunshine Canyon Drive, Lickskillet Road, or Lefthand Canyon Drive, which are all permanent, man-made structures located within 200 feet of the affected area. Please revise the structure list to include these 4 additional structures and their respective owners.

CMC Response: EXHIBIT L -- PERMANENT MAN-MADE STRUCTURES has been revised to list these other man-made structures.

3) The operator's response to item no. 11 refers to information regarding water quality sampling and analytical data for Left Hand Creek being available in the files for permit nos. M-1983-141 and M-1994-117. Firstly, any information referenced for the amendment under review must be included in the permit file for M-1994-117. If this information is not already included in the permit file for M-1994-117, please provide the information with your response. Secondly, pursuant to Rule 1.10(2), 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 operator did not specify where in the permit file for M-1994-117 the water quality sampling and analytical data for Left Hand Creek can be found. Please specify where this information can be found in the permit file, or provide the information with your response.

CMC Response: A very thorough review of the Gold Hill Mill Permit No. 1994-117 shows that water quality sampling and analytical data for Left Hand Creek can be found filed with the DRMS on the following dates:

ITEC Environmental submitted water monitoring data on April 28, 1998 for the First Quarter of 1998.

Mount Royale Ventures submitted water monitoring data on March 6, 2009 for the Fourth Quarter of 2005 through the third Quarter of 2008.

Gold Hill Mines, Inc. submitted water monitoring data on January 28, 2013 for the Third and Fourth Quarters of 2012. On October 30, 2013 the DRMS approved Technical Revision No. 9, which removed the requirement to sample Left Hand Creek from the water monitoring plan.

Exhibit C – Mining Plan (Rule 6.3.3):

4) The operator's response to item no. 15 describes only one 15 foot segment of the existing pipeline that will need to be excavated for removal of the pipeline. This buried portion of the pipeline occurs where it crosses the old mine access road below the Red Cloud and Cold Spring mine dumps. The operator states the decomposed granite that is removed during this activity will be distributed along the access road below the excavation. Please confirm the areas to be disturbed for removal of the existing pipeline, including areas where excavated material will be placed will be located within the proposed affected area.

CMC Response: The only small area that will be disturbed for the burial of the new two (2) inch HDPE pipeline is located along the Water Pipeline Easement Deed and within the proposed affected area.

5) The operator's response to item no. 18 states the maximum total volume of fuel to be stored at the pump house is 300 gallons. The fuel will be stored in a standard metal container approved for fuel storage. The Bean pump and generator will be installed within metal containment frames that will retain any fuel or lubricants inside the pump house. Please clarify whether the fuel storage container will be double-walled. Additionally, please provide details on the proposed secondary containment, including whether it will hold 110% of the maximum storage volume (in this case, 330 gallons). If the fuel tank will be double-walled, its outer shell capacity may be included in the 110% volume calculated for secondary containment.

CMC Response: The maximum total volume of fuel that will be stored at the pumphouse is 300 gallons. The fuel will be stored in a standard single-walled metal container approved for fuel storage. The fuel storage container will be placed within a secondary containment sump which will hold at least one-hundred and fifty (150%) percent of the maximum storage volume of the actual fuel tank selected for this site. This fuel containment sump will be constructed of HDPE, and therefore will not rust or corrode. This sump will be purchased at the same time as the fuel storage tank and will be large enough to contain more than the maximum volume of the fuel stored at the pumphouse.

CMC Response: There is only one existing pipeline in place on the Water Pipeline Easement. Most of it is three (3) inches in diameter. Some of it is two (2) inches in diameter. This was described in the Amendment Application in Section 14.: Description of Project as follows:

"The Gold Hill Mill's Waterline was initially installed in 1987, with a three (3) inch pipeline that extended from Left Hand Creek to the Times Mine adit portal. Water was pumped from Left Hand Creek on numerous occasions by the then permitted operator, Gold Hill Ventures, Limited Partnership. During the period that COM, Inc. was the permitted operator of the Gold Hill Mill, the lower portion of the water pipeline was replaced with a two (2) inch pipeline, and water was pumped to the Times Mine on several occasions during the period when the mill was controlled by that operator. A portable Bean pump was used to pump the water from Left Hand Creek to

⁶⁾ The operator's response to item no. 19 states there is no other existing infrastructure to remove other than a 3-inch and a 2-inch PVC pipeline. Other portions of the amendment application refer to only one existing 2-inch pipeline. Please clarify if there is more than one pipeline that needs to be removed. Also, please provide an estimate of the maximum length of pipeline to be removed prior to installation of the new pipeline. Please be sure the reclamation bond estimate includes costs for removing all existing pipeline.

the Times Mine. The pipeline from these initial pumping operations is still in place and will be removed when the new pipeline is installed."

All of the other portions of the Amendment Application refer to the two (2) inch HDPE pipeline that will replace the three (3) inch and two (2) inch pipeline installed by the then permitted operators as described in the above quoted portion of the Amendment Application.

7) The operator's response to item no. 20 states the pump house (a 10 foot x 8 foot metal conex container) and the metal fuel container will be located well above the Left Hand Creek floodplain, including outside of the area affected by the 2013 flood. Please provide a map of the proposed permit area near the creek which includes the location of the 100-year floodplain of Left Hand Creek with respect to the location of all proposed structures in this area.

CMC Response: The Pumphouse and the metal fuel container with its containment sump will be located well above the Left Hand Creek floodplain and floodway, in order to follow the floodplain management criteria of Boulder County and the State of Colorado. A map of the proposed permit area near Left Hand Creek which includes the location of the 100-year and 500- year floodplains with respect to the location of all proposed structures in this area is attached to this Second Response Letter.

8) The operator's response to item no. 20 states the footbridge will be situated well above the highest observed level of Left Hand Creek at this location during the 2013 flood. Firstly, please provide the base flood elevation for the section of the creek where the footbridge would be installed, and the anticipated minimum distance above this elevation at which the footbridge would be installed. Secondly, please provide design specifications for the proposed footbridge. Lastly, please state whether a permit will be required for construction of the footbridge (i.e., county bridge construction permit). If so, please commit to providing a copy of any approvals to the Division prior to construction of the bridge.

CMC Response: The footbridge will not be installed as part of this Permit Amendment Application. A field survey has disclosed a gap between the Mammoth Millsite MS No. 17576 and the Paris MS No. 5149A that will provide access to the Pumphouse from Lickskillet Road. This open area is located entirely on the CMC owned Gold Gulch unpatented lode mining claim.