

May 20, 2019

Jim Harrington
Colorado Legacy Land, LLC
4601 DTC Blvd. - Suite 130
Denver, CO 80237

Re: Schwartzwalder Mine, Permit No. M-1977-300, Status of Required Corrective Actions

Mr. Harrington:

On May 9, 2019, the Division of Reclamation, Mining and Safety (Division) received the operator's corrective action response to the problems cited in the inspection report sent on April 9, 2019. After reviewing this response, the Division has the following status updates on the required corrective actions:

PROBLEM #1: Failure to minimize disturbance to the prevailing hydrologic balance of the affected land and of the surrounding area and to the quality of water in surface and groundwater systems both during and after the mining operation and during reclamation, as required by Hard Rock Rule 3.1.6(1).

REQUIRED CORRECTIVE ACTIONS: By the corrective action date (May 9, 2019), the operator shall sample the ponded water observed during the inspection between Ralston Creek and the North Waste Rock Pile (NWRP) and submit the results to the Division along with any additional relevant monitoring data. This report shall include an analysis of the data, comparing it to data obtained from the upgradient and downgradient monitoring locations, identification and quantification of the contaminant source(s), and a plan of action to prevent contaminated surface and groundwater from leaving the affected lands. If the plan of action involves changes to the approved mining and/or reclamation plans, it should be submitted as a Technical Revision or Amendment application with the appropriate fee.

STATUS UPDATE: *On May 9, 2019, the operator provided sampling data for the ponded water observed during the inspection between the creek and the NWRP, and compared this data to data obtained from upgradient and downgradient monitoring locations. The operator identified a total of four potential sources for the ponded water, but indicated the most likely source to be surface flows on to the NWRP. Therefore, to prevent contamination of water by the NWRP, the operator has proposed a revised stormwater control plan for this pile (in Technical Revision No. 28).*

The Division considers Problem #1 to be abated at this time.



PROBLEM #2: A detailed construction schedule has not been provided to the Division as required by Hard Rock Rule 6.4.21(15) for installation of the surface water control structures approved in Technical Revision No. 23 (TR-23) for the waste rock piles, which are designated Environmental Protection Facilities. At the time of this inspection, these structures have not been installed at the site, and no alternative plan for controlling runoff of these piles has been proposed.

REQUIRED CORRECTIVE ACTIONS: By the corrective action date (May 9, 2019), the operator shall submit a detailed construction schedule for installation of the surface water control structures approved in TR-23 for the waste rock piles. Any proposed revisions to the approved plan must include a detailed construction schedule, and be submitted in the form of a Technical Revision or Amendment application by the corrective action date with the appropriate fee.

STATUS UPDATE: *On May 9, 2019, the operator submitted Technical Revision No. 28 (TR-28) to revise the stormwater control plan approved for the NWRP in TR-23. This revision included a construction schedule for the proposed diversion pipeline project, to be completed in August – September of 2019.*

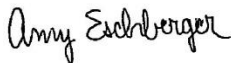
Any comments or questions the Division may have regarding the information presented in TR-28 will be provided to the operator through the adequacy review process for that revision. Therefore, the Division considers Problem #2 to be abated at this time.

Additional Information:

The operator's corrective action response included a list of suggested corrections to the Division's April 9, 2019 inspection report. While the Division appreciates these efforts, the operator should be informed the statements made in the Division's inspection report came from a combination of the Division's visual observations made during the inspection, discussions that occurred during the inspection, and information obtained directly from the permit file. The Division determined the suggested corrections do not warrant the issuance of a revised inspection report. However, the Division will take these suggestions into consideration for future inspections. The operator should be advised that any individuals associated with the operation whom accompany the Division during an inspection will be listed as operator representatives in the inspection report. This does not include individuals present on site which do not accompany the Division during the inspection.

If you have any questions, you may contact me by telephone at 303-866-3567, ext. 8129, or by email at amy.eschberger@state.co.us.

Sincerely,



Amy Eschberger
Environmental Protection Specialist

CC: Elizabeth Busby, Colorado Legacy Land, LLC
Paul Newman, Colorado Legacy Land, LLC
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