



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

June 24, 2019

Robert Burger
Sierta LLC
1885 Redcoach Rd.
Allison Park, PA 15101

Re: Notice of Deficiencies, Modification MD-03, Red Cone, File No. P-2014-003

Dear Mr. Burger,

On May 28, 2019, the Division of Reclamation, Mining and Safety (Division or DRMS) received the Sierta LLC Notice of Intent to Conduct Prospecting Operations (NOI) Modification (MD-01) application for the prospecting operation known as Red Cone, File No. P-2014-003. The Division's review indicates MD-01 contains deficiencies which need to be addressed before the Division can approve the NOI Modification. Please title your response to this notice with "Response to Deficiencies, MD-01, P-2014-003". You can respond to each item by the respective number below.

1. The MD-01 application includes a Form 1 (DRMS use and Confidential File) and Form 2 (Public File). After further review, the two forms appear identical. Please confirm the two forms are identical to be the same and there is no confidential items within the application.
2. A review of the business data search of the Colorado Secretary of State (www.sos.state.co.us) lists the status of Sierta LLC as delinquent. Please resolve this status and demonstrate Sierta LLC is in good standing with the Secretary of State.
3. The MD-01 application is signed by Robert M. Burger who is listed as the President of Sierta Redcone, LLC in Section VIII. Signature Requirement (Page 9). The name of the company on the existing NOI is Sierta LLC. Please revise this and submit a new Page 9.
4. Question 12m of Section III. Project Description, states groundwater is expected to be encountered at the base of the overburden between 25 and 50 feet below ground surface. Please discuss if the drill holes will be cased from the surface to the base of the overburden to isolate the drill hole from the groundwater. Please describe the casing (material and diameter) provide details regarding the reclamation of this casing; as the Prospector is proposing to place a concrete plug from 10 to 1 foot below the ground surface, the Division would anticipate the Prospector will cut the casing at 1 foot below grade as well.
5. Please provide the Division with the reclamation seed mixture, seeding rate (PLS per species), and seeding method, as well as any other re-vegetation tasks (ripping, tilling, mulching, fertilization, etc.) which will be implemented following the prospecting activities.
6. Question 2 of Section IV. Operations and Reclamation Measures, states Pad 5 is adjacent to a "rock glacier". Please describe if the location of Pad 5 is a part of the "rock glacier" and no vegetation is present. If Pad 5 is adjacent to the "rock glacier" and contains vegetation, please provide a description of this vegetation.
7. Please discuss if water will be used in this operation and provide the legal source of this water.



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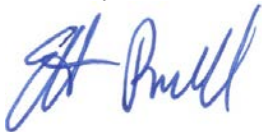
8. Please provide the Division with a status update of the already approved NOI activities in the original application and identify what actions are remaining to achieve the approved reclamation plan for these activities. If the approved activities have not commenced and the Prospector has no intention to start these activities, the Prospector may want to formally commit to do so and request to apply the existing bond amount towards the reclamation bond required for the MD-01 proposed activities.
9. The Division understands that there may be discrepancies between the MD-01 application and the USFS Prospect Plan of Operations or there may now be discrepancies following the Division's technical review and your subsequent responses to this Notice of Deficiencies letter. Please commit to informing the USFS of any revisions to the prospecting operation once the Division approves your application.

This concludes the Division's review of MD-01. This letter shall not be interpreted to mean that there are no other technical deficiencies in the NOI application as other issues may arise when additional information is supplied. **Please be advised that if these items have not been addressed within 60 days of the date of this letter, due on or before August 23, 2019, the Division may terminate the NOI Modification application.**

Please note, the Division will calculate a reclamation cost estimate based on the responses to this Notice of Deficiencies letter. The Prospector will be provided copy of that reclamation cost estimate for review once it is prepared and will have until the end of the 60-day review period to post the financial warranty amount. The Division recommends responding to this Notice of Deficiencies letter as soon as possible to allow adequate time to review the cost estimate and post the financial warranty.

If you need additional information or have any questions, please contact me at Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at **303-866-3567 x8132**, or by email at elliott.russell@state.co.us.

Sincerely,



Elliott R. Russell
Environmental Protection Specialist

Cc: Michael Cunningham with DRMS
Amy Titterington with USFS