



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

July 26, 2019

Michael Royer
P.O. Box 23
Villa Grove, CO 81155

**RE: Adequacy Review, 110(1) Hardrock Application
LGPD2 Mine, File No. M-2019-026**

Dear Mr. Royer,

The Division of Reclamation, Mining, and Safety (Division) has reviewed the content of your 110(1) Reclamation Permit Application for the LGPD2 Mine operation, File No. M-2019-026, and submits the following comments. **The Division is required to make an approval or denial decision no later than August 1, 2019; therefore, a response to the following adequacy review concerns should be submitted to the Division as soon as possible.** Please respond to this Adequacy Review with the requested information and summarize each response to the numbered items below, in a cover letter titled "Adequacy Review Response; M-2019-026".

The review consisted of comparing the application content with specific requirements of Rules 1, 3, 6.1, 6.2, and 6.3 of the Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for Hard Rock, Metal, and Designated Mining Operations. Any inadequacies are identified under the respective exhibit heading.

GENERAL APPLICATION PROCEDURES

1. As required by Rule 1.6.2, please submit proof of publication in a newspaper of general circulation in the locality of the proposed mining operation.
2. As required by Rule 1.6.2, please submit proof of the notice to all owners of record of surface and mineral rights of the affected land and the owners of record of all land surface within 200 feet of the boundary of the affected land. Proof of notice may be return receipts of a Certified Mailing or by proof of personal service.
3. To date, the Division has received comments from the Division of Water Resources, U.S. Army Corps of Engineers, and Office of Archaeology and Historical Preservation, regarding the application. The letters are attached for your review. Please acknowledge and address any comments noted in the letters and make changes to the application as necessary.

EXHIBIT A - Legal Description and Location Map (Rule 6.3.1)

4. Within Exhibit A, the Applicant provided the legal description of the mine. The Applicant stated the center of the mining area is located in SW Quarter, SE Quarter/Quarter, Section 17, T12S, R71W, within the New Mexico Principle Meridian. The Division believes this to be in error as the mining operation is located in the SE Quarter, SW Quarter/Quarter and is in the 6th (Colorado) Principle Meridian. Please revise and resubmit Exhibit A to reflect the correct legal description, including the "additional legal description" section. Please note, the legal description on Page 3 of the application form has the correct quarter and quarter/quarter identified, however the principle meridian needs to be updated from the 10th (New Mexico) to the 6th (Colorado). Please also revise and resubmit Page 3 of the application with the correct legal description.



EXHIBIT C - Mining Plan (Rule 6.3.3)

5. Within Exhibit C, Number 7, the Applicant discusses existing access to the mine site. The Applicant states DRMS has bonded for the reclamation of a pre-existing road outside of the proposed permit boundary, however, the correct agency is the United States Forest Service (USFS). Please revise this statement from “these roads remain bonded under previous operation DRMS NOI, P-2015-021” to “these roads remain bonded under USFS Plan of Operations”.
6. Please confirm you are proposing the following: 1) a total of six dig sites in each of the two 200 feet by 400 feet permit areas; 2) a dig site will not be larger than 30 feet by 40 feet by 10 feet deep; 3) only one dig site will be open at any one time and will be backfilled prior to moving onto the next dig site; and 4) no more than .66 acres of total disturbance is planned within the permit boundaries.

Please note, the applicant may submit a technical revision in the future if the applicant wishes to expand the size of the dig sites or increase the number of the dig sites within the permit boundary, increase the number of open dig sites, or increase the total disturbance within the permit boundary.

7. The Division has calculated the total required financial warranty for the site to be \$5,000.00. A copy of the reclamation cost summary is attached for the Applicant’s review. The USFS has been provided a copy of this estimate to review it for sufficiency. At this time, upon approval of the application, the required financial warranty for the site will be set at \$5,000.00; please contact me prior to the decision date to discuss any questions regarding the cost estimate or if you identify any errors with this calculation.

EXHIBIT D – Reclamation Plan (Rule 6.3.4)

8. Within Exhibit D, the Applicant has proposed to use mulch as a part of the reclamation plan. After further discussions with you, it appears the USFS has not recommended using mulch for this site. Please revise Exhibit D to reflect this change.
9. Within Exhibit D, the Applicant has proposed to plant ponderosa pine trees as a part of the reclamation plan. Please provide the Division with the planting rate (trees/acre) and the size of each tree to be planted. Please note, the Division has included 100 trees/acre (which calculates to roughly 3 trees per dig site) of bare root 11-16 inch tall ponderosa pine seedlings within the cost estimate discussed above for now.

EXHIBIT G - Source of Legal Right-to-Enter (Rule 6.3.7)

10. The Applicant provided a letter from the USFS which states the existing Mine Plan of Operations (MPO) has been reauthorized, however, upon further review and discussions with the USFS, this letter is not the final letter which states the MPO is conditionally approved. The Division considers a conditionally approved MPO or an accepted Notice of Intent from the USFS as the demonstration of the Applicant’s surface legal right of entry to the site to conduct mining and reclamation in accordance with Rule 6.3.7. Before the Division can approve the 110(1) application, the Applicant will need to submit documentation which shows the USFS has approved or conditionally approved the MPO.

EXHIBIT I - Proof of Filing with County Clerk (Rule 6.3.9)

11. Any changes or additions to the application on file with the Division, must also be reflected in the public review copy. Please submit proof that the public review copy has been updated or a copy of the response to this adequacy letter has been added to it.

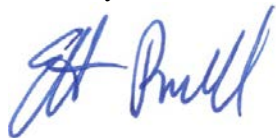
EXHIBIT L - Permanent Man-Made Structures (Rule 6.3.12)

12. The Applicant has provided an engineering evaluation in accordance with Rule 6.3.12(b) for the power poles which bisect the two permit boundaries. Rule 6.3.12(b) states where such an agreement cannot be reached, the applicant shall provide an engineering evaluation. Please provide a demonstration that a structure agreement could not be reached with the structure owner.

This concludes the Division's adequacy review of this application. This letter shall not be interpreted to mean that there are no other technical deficiencies in your application; other issues may arise as additional information is supplied. Please be advised the LGPD2 Mine permit application may be deemed inadequate, and the application may be denied on August 1, 2019, unless the above mentioned adequacy review items are addressed to the satisfaction of the Division. **If more time is needed to complete the reply, the Division can grant an extension to the decision date. This will be done upon receipt of a written waiver of the Applicant's right to a decision by August 1, 2019, and the request for additional time. This must be received no later than the deadline date.** The Division typically receives extension requests for 30, 60, or 90 additional days.

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

Attachment: Reclamation Cost Estimate M2019026
DWR comment letter M2019026
USACE comment letter M2019026
OAHP comment letter M2019026

Cc: Michael Cunningham, Division of Reclamation, Mining & Safety
John Crowley, johnnygotrox@comcast.net