

November 18, 2019

Thomas S. Hendricks Calais Resources Colorado, Inc. P.O. Box 653 Nederland, CO 80466-0653

**RE:** Cross Gold Mine (Permit No. M-1977-410)

REASON TO BELIEVE A VIOLATION EXISTS AND

NOTICE OF BOARD HEARING

Dear Mr. Hendricks:

C.R.S. 34-32-116 (3) and (4) and Permit No. M-1977-410 require you to submit to the Division of Reclamation, Mining and Safety (Division) an annual fee, map and report, due on or before November 3<sup>rd</sup> of each year. The annual fee required for your permit is \$259.00. As of the date of this letter, the Division has not received your complete submittal for November 3, 2019.

Therefore, the Division has reason to believe this is a violation of C.R.S. 34-32-116 (3) and (4) et seq. and the provisions of your Permit No. M-1977-410, and has scheduled this matter to appear before the Mined Land Reclamation Board (Board), pursuant to C.R.S. 34-32-124.

A Formal Public Hearing will be held during the January 22-23, 2020 Board meeting located in Room 318 of 1313 Sherman Street, Denver, Colorado, beginning at 9:00 a.m. or as soon thereafter as the matter can be considered. You will have the opportunity to present your defense during the hearing.

This is an important legal proceeding and you must appear in person for this hearing. If you fail to appear, an order and money judgment may be entered against you. In addition, failure to appear at the hearing may result in legal consequences including, but not limited to, loss of party status and your ability to seek reconsideration from the Board or seek judicial appeal in district court.

If you submit all past due annual fees, reports, and maps by **January 17, 2020**, this matter will be withdrawn from Board consideration and the scheduled hearing will be vacated.

If the Board finds a violation at this hearing, it may revoke the permit, issue a Cease and Desist Order and/or assess a Civil Penalty in the amount of \$50.00 to \$1,000.00 for each day of violation pursuant to C.R.S. 34-32-124. If you have evidence indicating that the possible violations noted above do not exist or have been corrected, please provide it to the Division as soon as possible or bring it to the hearing.

If the matter is brought before the Board, following the hearing, all parties have an opportunity to review and comment on a draft of the Board's Order before it becomes final. If you wish to do so, you must provide the Board with a written request to review the draft Order prior to or at the time of your hearing, or you must



inform the Board orally during the hearing that you request to review the draft Order. You must include your mailing address and, if possible, a fax number. You will be provided a copy of the draft Order for your review as soon as it is available. The Board must receive your comments on the draft Order within ten (10) calendar days of the date the draft Order is mailed, unless that deadline is extended. Please note, the Division has requested and will be allowed to review and comment on the draft Board Order prior to mailing to any party. Please submit all comments in writing to: Charles J. Kooyman, Colorado Department of Law, Business and Licensing Section, 1300 Broadway, 8th Floor Denver, CO, 80203, 720-508-6440 (phone), 720-508-6037 (fax), or Charles.Kooyman@coag.gov. The Board will resolve any issues regarding the form of the Order. This process does not affect your right to request reconsideration by the Board or appeal the substance of the Order.

The Board's agenda may not be finalized until the week of the Board meeting. Therefore, we recommend you contact the Board Secretary, Camille Mojar by telephone at 303-866-3567 ext. 8136, or by email at <a href="mailto:Camille.Mojar@state.co.us">Camille.Mojar@state.co.us</a> on the Monday prior to the Board Hearing to confirm exactly which day your item will appear before the Board. If you have any questions about this letter or the hearing, you may contact Amy Eschberger by telephone at 303-866-3567, ext. 8129 or by email at <a href="mailto:Amy.Eschberger@state.co.us">Amy.Eschberger@state.co.us</a>.

Russ Means

Sincere

Minerals Program Director

Signing on behalf of:

Virginia Brannon Division Director

CERTIFIED MAIL NO. 7018 2290 0001 8923 2738 Return Receipt Requested

cc: Michael A. Cunningham, DRMS Amy Eschberger, DRMS Jeff Fugate, AGO

To submit your past due annual report, map, and fee and pay your civil penalty online now, visit the following weblink: <a href="https://dnrforms.state.co.us/Forms/DRMSeForms">https://dnrforms.state.co.us/Forms/DRMSeForms</a> LandingPage

If you have not yet set up your ePermitting account, visit the following weblink to get started: <a href="http://mining.state.co.us/Pages/ePermitting.aspx">http://mining.state.co.us/Pages/ePermitting.aspx</a>