

Members Marcus J. Lock Jacob A. With Kendall K. Burgemeister

Of Counsel John R. Hill, Jr.

Associate Austin J. Chambers William P. Edwards* *Licensed in Utah only

525 N. Main Street, Gunnison, CO 81230 | 970.641.1903 lawoftherockies.com | Fax: 970.641.1943 Email: jwith@lawoftherockies.com

October 24, 2019

VIA ELECTRONIC MAIL

Colorado Division of Reclamation, Mining and Safety Dustin Czapla, Environmental Protection Specialist <u>Dustin.czapla@state.co.us</u>

Re: Complaint letter dated October 5, 2019

Dear Mr. Czapla,

I represent CRG Mining, LLC ("CRG") and am in receipt of the October 5, 2019 letter expressing concerns related to CRG's mining activities at the historic Gold Links Mine site. CRG takes very seriously the safety of the environment and its regulatory compliance, and accordingly requested that I respond after reviewing the matter.

CRG has not conducted any work outside of its federally granted patented mining claims and state permitted mining or prospecting areas. All work carried out by CRG is in accordance with the granted NOI and 110 permits issued by the applicable state regulatory authorities.

No drilling has taken place outside of the CRG's patented claims and the area currently permitted. Where possible, CRG has created drill pad locations on access roads in order to minimize surface disturbance on CRG's private property. To the extent that CRG has widened certain roads, the pictures submitted in the letter of October 5 are taken without context and in all likelihood represent either a switchback or a drill pad or both. Any surface works carried out on our patented claims will be rehabilitated in accordance with the submissions made to the state and the county. The disturbed area resulting from the drilling program is believed to be less than two acres as previously discussed with the county.

In the ordinary course of undertaking its works program, CRG has encountered historic workings that included tunnels, which CRG has made safe by sealing them up. There is very little in the way of maps that show the location of any old workings and therefore when CRG does come across a historic working CRG maps its location for future reference. Though it is difficult to be

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certain based upon the photograph without other information, it is believed that the photographed portal is one that was discovered over the summer and sealed.

CRG's operations are monitored and overseen by federal and state agencies. Since commencement of work this year, CRG has had five inspections from a federal agency, one from a state agency and it submits quarterly reports to the Colorado Department of health covering its entire landholdings, which include the historic Raymond and Carter mines

CRG's relationship with the community is strong and it is very sensitive to any of its neighbors concerns and will always endeavor to conduct its activities in a safe and conscientious manner which minimizes any impact on its neighbors and the environment.

Of concern to CRG is that the pictures demonstrate that one or more persons have entered a federally regulated mining area without permission of the state permitted operator despite the clear "no trespassing" signs and at an unnecessary safety risk. As the operator of the mine CRG has always invited the community to attend supervised visits to the site so that they can have a safe and supervised first-hand look at our operation and better understand why CRG is able to operate with such minor impact on the surface area. Many of our neighbors have availed themselves of our invitation. However, the area is not open to the general public and, whenever appropriate, trespassers will be prosecuted to ensure mine safety.

Should you have any additional questions or concerns regarding the October 5, 2019 letter, please do not hesitate to contact me. However, at this juncture, having reviewed the letter and its files, CRG believes that it remains in compliance with all federal, state and county permits and laws, its activities are contained within its privately owned property, and the letter requires no further review.

Sincerely,

Jacob A. With LAW OF THE ROCKIES