



May 14, 2020

Richard Mittasch
Calais Resources Colorado, Inc.
P.O. Box 3395
Nederland, CO 80466

RE: Cross Gold Mine, Permit No. M-1977-410, Incomplete Application for Transfer of Permit and Succession of Operators, SO-02

Mr. Mittasch:

On May 12, 2020, the Division of Reclamation, Mining and Safety (Division) received your incompleteness response for the Application for Transfer of Permit and Succession of Operators (SO-02) from Calais Resources Colorado, Inc. to Grand Island Resources, LLC. After reviewing the materials you provided, the Division has determined the following items are required for the application to be considered complete for processing:

- 1) The application must include demonstration of the Prospective Successor's legal right to enter to conduct mining and reclamation, for all owners of record of the surface and mineral rights of the affected land. The Boulder County Assessor's Office website shows the surface owners of the affected lands to include Aardvark Agencies, Inc. (for the Caribou Mine area), Grand Island Resources, LLC (for the Cross Mine area), and Mark Phillips (for the southern portion of the affected lands accessing the Cross Mine area). Please provide demonstration the Prospective Successor has the legal right to enter to conduct mining and reclamation for all owners of record of the surface rights of the affected lands. This may include a copy of a lease, deed, abstract of title, a current tax receipt, or a signed statement by the landowner(s) and acknowledged by a Notary Public stating the Prospective Successor has the legal right to enter to conduct mining and reclamation.
- 2) The application must include copies of structure agreements made between the Prospective Successor and the owner(s) of any significant, valuable, and permanent man-made structure located on or within 200 feet of the affected lands. The application did include a structure agreement for such structures owned by the Prospective Successor. However, the Division is aware of structures located within 200 feet of the affected lands which are not owned by the Prospective Successor (e.g., roads, utilities). Please provide notarized agreements between the Prospective Successor and the owner(s) of any significant, valuable, and permanent man-made structure located on or within 200 feet of the affected lands. Where such a structure is a utility, you may supply a notarized letter, on utility letterhead, from the owner(s) of the utility that the mining and reclamation activities will have "no negative effect" on their utility.



- 3) On page 8 – Applicant’s Agreement to Request Transfer of Mineral Permit and Succession of Operators, the first sentence reads “Whereas, on October 18th, 2011 Permit Number M-1977-410 was granted to Calais Resources Colorado, Inc...”. The date entered here is incorrect, as the permit was granted to Calais Resources Colorado, Inc. through the Division’s approval of Succession of Operators No. 1 (SO-01) on February 23, 2000 (see enclosed SO-01 approval letter). Therefore, please correct the date on this page.
- 4) On Page 6, under Designation of Review Timeline, you have chosen Option 2, to maintain your right to a decision on the application within 30 days. This means the Division will recalculate the required Financial Warranty after issuing its decision on the application. In this case, the Prospective Successor must submit a conditional replacement Financial Warranty in the amount of the Permittee’s current Financial Warranty (\$31,500.00) as part of the application. Please visit the Division’s website at <https://www.colorado.gov/pacific/drms/minerals-program-forms> to find the appropriate Financial Warranty form.

Your application will not be considered complete until all deficiencies identified above have been addressed. Please submit all required completeness items by **May 30, 2020**.

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

Encl: SO-01 approval letter, dated February 24, 2000

Cc: Michael Cunningham, DRMS

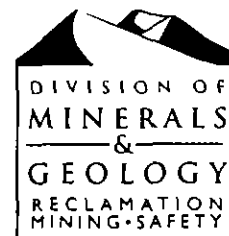


STATE OF COLORADO

DIVISION OF MINERALS AND GEOLOGY

Department of Natural Resources

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Denver, Colorado 80203
Phone: (303) 866-3567
FAX: (303) 832-8106



Bill Owens
Governor

Greg E. Walcher
Executive Director

Michael B. Long
Division Director

February 24, 2000

Mr. Thomas S. Hendricks
Calais Resources Colorado, Inc.
Cross Mine Rd
P.O. Box 653 - Caribou
Nederland, CO 80466

Re: Cross Gold Mine, Permit No. M-1977-410, Succession Approval, Revision No. SO-001

Dear Mr. Hendricks:

On February 23, 2000, the Division of Minerals and Geology approved the succession of operators from Hendricks Mining Company to Calais Resources Colorado, Inc. for the Cross Gold Mine (formerly the Cross Mine), Permit No. M-1977-410. Calais Resources Colorado, Inc. is now the permitted operator of the Cross Gold Mine, and as such, is responsible for all provisions in Permit No. M-1977-410, as well as those specified in the Rules and Regulations. Hendricks Mining Company is relieved of all responsibilities concerning this operation.

Please Note:

1. All of the application materials, as amended and supplemented, are an integral part of your permit. They have been incorporated into the permit by reference. We presume that you have a copy of all of these materials; therefore, none have been enclosed with this mailing. We suggest that you keep a copy of the permit and the permit application at the mining operation as a reference for operating personnel, to help ensure compliance with the terms of the permit.
2. Changes in the mining and reclamation operations that differ from those described in the permit may require a modification to the permit. We suggest consulting the Rules and Regulations and/or contacting us to determine if a modification to the permit is necessary. Rule 1.10 pertains to Amendments, Rule 1.9 to Technical Revisions, and Rule 1.11 to Conversions.
3. On your permit anniversary date (November 3rd) each year, you must submit an annual fee (\$225.00) and annual report to us. Please consult the Rules, Act, and your permit for specific requirements.

If you have any questions, contact me.

Sincerely,

Barbara D. Cheppone

for Christina L. Kamnikar
Environmental Protection Specialist

cc: Thomas S. Hendricks, Hendricks Mining Company