



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

1313 Sherman St. Room 215
Denver, CO 80203

July 13, 2020

Brian Briggs
Ouray Silver Mines Inc.
P.O. Box 564
1900 Main Street, Suite 1
Ouray, CO 81427

**RE: Revenue Mine - File No. M-2012-032, Technical Revision Application (TR-11) Adequacy
Review-2 Bond Calculation**

Dear Mr. Briggs:

On April 17, 2020, the Division of Reclamation, Mining and Safety received your Technical Revision application for the Revenue Mine, 112d-1 Hard Rock Reclamation Permit, which is located in Ouray County. The Division is in the process of reviewing the above referenced Technical Revision (TR) in order to ensure that it adequately satisfies the requirements of the Colorado Mined Land Reclamation Act (Act) and the associated Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for Hard Rock, Metal, and Designated Mining Operations (Rules). During review of the material submitted, it has been determined that the following information shall be provided in order for the Division to update the associated Reclamation Cost Estimate and TR-11 can be considered for approval.

Demolition of permeant structures and removal of surface debris

1. During the inspection it was stated that all steel, wood and cement would be placed underground for final reclamation. Is onsite disposal already an approved permit condition? Please identify for each structure to be removed if it will be placed underground and in which portal. Or if off-site disposal is required.
2. For the Underground Warehouse and Shop, what all needs to be removed? Provide the dimensions/volume of material.
3. For the Waste Storage Pad & Secondary Containment is the concrete slab reinforced? What size are connexs within the building and can they be skidded for removal or require being picked? What is the height of the building?
4. The Thickener Tank and Piping will need to be cut up for disposal, what is the total linear feet of cuts that will be required to break down this structure into manageable pieces? Alternatively you may supply the Division with an updated User Provided Cost for removal of this item.
5. The following buildings are to have equipment/contents removed; Administration, Air Compressor, Rail Yard/Battery Charger (in addition to tracks), Underground Shop and Warehouse, and Concentrator and Filter. Specify the material type to be removed, disposal location and volume per buildings.
6. Specify how the Ventilation Fan will be removed and include a User Provided Cost for the removal.



7. For the Materials Storage Connexs include a User Provided Cost for dismantling, loading and hauling the connexs off site. What equipment will be required?
8. To-date has the Half Culvert been installed or is this feature still a proposed construction activity? If so, specify how the Half Culvert will be removed from site and include a User Provided Cost for the removal. If this aspect has been modified, provide sufficient information to bond for that feature.
9. Provide an updated total job hours for the demolition of permeant structures and removal of surface debris.

Disposal of Chemicals

10. Provide an updated total job hours for the removal of all chemicals on site.

Portal Closure

11. Provide the dimensions for each steel portal cover structure to be removed.
12. What are the dimensions of the Mill Portal doors?
13. What equipment will be necessary for removal of portal structures prior to backfill?
14. Provide the total job hours for the removal of all portal structures on site.

Vent Shafts

15. Regarding the vent shaft foundations, AM-1, D-29 states that the foundations will be re-used for final closure however all other reclamation plans state that a 6" slab is to be poured over a steel plate. Please clarify if the existing pad can/will be reused and if not how will it be removed/disposed of.
16. Will only the Monongahela escape shaft have a refuge made of two 40' x 10' sea cans stacked? While the 960 Raise and Yellow Rose Shafts only have a shaft house and lift housing.
17. How will the Governor's Basin structures (2 sea cans-20' x 10' lift housing, 2 sea cans-40' x 10' refuge and 16' H x 12' L x 12' W Steel structure on Beams covered with Corrugated Metal-shaft house) be removed? Please give a brief description and an updated User Provide Cost for removal of each structure.
18. Provide the anticipated total job hours for cutting the casing for each of the three vent shafts.
19. Provide the anticipated total job hours for placing the steel plate and pouring a 6 inch cement cap on each of the three vent shafts.
20. Revegetation (seeding) of the vent shafts is not specifically mentioned. However AM-1, PAR 2, Table L-1 states all topsoiled areas will be seeded. TR-11 reclamation plan specifies that the backfilled shaft areas will be topsoiled. Please clarify if seeding of the shaft areas will occur and if so the application type, rate, and if mulching will be applied.

Site Grading to 2:1

21. Please provide the number of cubic yards to be moved, material type/consistency, push distance and grade for each major area to be re-contoured. Previous calculations have used a total of 47,000 CY with no indication as to where this volume came from. The Division will consider overburden replacement and general site grading as the same task. If volumes change depending on mining phases also give the volumes per area in terms of mining phase.
22. Previous calculations have accounted for backfilling of sediment ponds 2 and 3. Given that these ponds are part of the water treatment system this seems impractical. Is there any site grading remaining specifically for the areas around the ponds for final reclamation configuration?

23. In the reclamation plan pocking is mentioned. Where will this surface roughening be applied, how many acres, how big/frequency of the pocks?

Topsoil/Cap Rock Application

24. Provide the total number of acres to receive topsoil at each Tailing Storage Facility (TSF). Will any other areas require topsoil application?
25. Provide a quote for the amount of topsoil necessary to be imported (User Provided Cost). Specify if this cost includes delivery and its source location.
26. What is the average depth to be placed and the total number acres to receive cap rock at each TSF. Where is the stockpile location of the cap rock to be used for each TSF?

Revegetation

27. Based on map F-1 only the TSF will be revegetated. Is this correct, previous revisions/calculations mention pond slopes, Northeast Rangeland area, and Southeast Rangeland area being reclaimed.
28. State the seeding method to be used (if method varies based on location give acres to receive various application types). It was previously assumed that drill seeding would occur but if terrain is too rough for power mulcher it's too rough for a drill seeder.
29. TR-11 bond calculation shows the use of a crimper and power mulcher for mulch application however the narrative states mulch will be applied by hand given the surface roughening (pocking). Clarify the mulching application method to be used (if method varies based on location give acres to receive various application types).
30. Provide the total job hours for revegetation (fertilize, seed and mulch).

The Division acknowledges that some the items listed above may be redundant from Adequacy Review 1. These items are specifically relate to calculating the Financial Warranty. If these details are previously provided in the permit please include a source

Please submit your responses as soon as possible in order to allow the Division sufficient time for review. Please note that the Decision Date for TR-11 is set at Monday, August 17, 2020. Should you need more time to adequately address the above listed items please request an extension to the Decision Date, in writing prior to the current Decision Date. The Division will continue to review your revision and contact you if additional information is required.

If you require additional information, or have questions or concerns, please feel free to contact me. Amy Yeldell at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 303-866-3567 Ext 8183 or via email at amy.yeldell@state.co.us

Sincerely,



Amy C. Yeldell
Environmental Protection Specialist

Cc: Travis Marshall, Senior Environmental Protection Specialist
Lucas West, Environmental Protection Specialist