



COLORADO
**Division of Reclamation,
Mining and Safety**
Department of Natural Resources
1313 Sherman Street, Room 215
Denver, CO 80203

August 25, 2020

Jeff A. Carter
Salisbury Gladstone LLC
15954 Jackson Ck Pkwy B281
Monument, CO 80132

**Re: Salisbury Gladstone LLC, Gladstone site, File No. M-2020-030, Limited Impact Operation
110(1) Reclamation Permit Application Adequacy Review**

Mr. Carter:

The Division of Reclamation, Mining and Safety (Division/DRMS) reviewed the content of the Salisbury Gladstone LLC permit application for the Gladstone site, File No. M-2020-030 and submits the following comments. The Division is required to make an approval or denial decision no later than September 2, 2020 therefore; a response to the following adequacy review concerns should be submitted to the Division as soon as possible.

The review consisted of comparing the application content with specific requirements of Rules 1, 3, 6.1, 6.2, 6.3 and 6.5 of the Minerals 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 along with suggested corrective actions.

DETERMINATION OF DESIGNATED MINING OPERATION (DMO) STATUS

On August 10, 2020, the Division notified the Applicant the application under review by the Division is a Designated Mining Operation (DMO). This determination was made in conformance with the Section 34-32-103(3.5)(a) and provisions of Rule 7.2 of the Minerals Rules and Regulations of the Colorado Mined Land Reclamation Board for Hard Rock, Metal and Designated Mining Operations. On August 18, 2020, the Applicant notified the Division they do not agree the proposed mining operation is a DMO. Pursuant with Rule 7.2.4(1)(a), the Division will schedule a meeting with the Applicant as soon as possible to discuss the DMO designation.

1.6 - Public Notice

1. As required by Rules 1.6.2(d) and 1.6.3(3), please submit proof of publication in a newspaper of general circulation in the locality of the proposed mining operation.



The Applicant submitted proof of publication for the application on August 12, 2020. The publication listed the location of the proposed mill incorrectly as located in Range 72 West instead of Range 73 West as discussed in Item #4 below. The Division will require the Applicant to republish and mail new notices for the application pursuant to Rule 1.6.6. The Division will establish a new decision date based on the publication date in accordance with Rule 1.4.6.

2. As required by Rule 1.6.2(e), 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 including all easement holders located on the affected land and 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.

The Applicant submitted Certified Mailing Receipt as proof of notice on August 5, 2020, however the Division has not received the return receipts for the certified mailing. Please submit proof of the notice of the return receipts (green cards).

As discussed in Item #1, the Division will require the Applicant to mail new notices for the application pursuant to Rule 1.6.6.

3. The Division received comments from the Colorado Division of Water Resources and Clear Creek County. The letters are attached for review. Please address the comments noted in the letters and make the required changes to the application.

6.3 Specific Exhibit Requirements - 110(1) Limited Impact Operations

The following items must be addressed by the Applicant in order to satisfy the requirements of C.R.S. 34-32-101 et seq. and the Hard Rock Rules and Regulations of the Mined Land Reclamation Board:

6.3.1 Exhibit A - Legal Description

4. The Applicant indicated the proposed milling operation is located in the southwest quarter/quarter section of the northeast quarter section of Township 3 South, Range 72 West, and Section 34. Based on review of the location by the Division, the proposed milling operation is located in the southwest quarter/quarter section of the northeast quarter section of Township 3 South, **Range 73 West**, and Section 34. Please revise Exhibit A and Item #10 - Location Information section of the application form accordingly.
5. Pursuant with Rule 1.1(3), affected lands include but shall not be limited to private ways, roads, except those roads which existed prior to the date on which notice was given or the permit application was made to the office and which were constructed for purposes unrelated to the proposed mining operation and which will not be substantially upgraded to support the mining operation.

Exhibit A shows a “proposed road,” this road is not discussed in the permit application nor is it shown in the Mining Plan or Reclamation Plan maps. The road does not appear to be included in the permit acreage. Please revise the permit application to include the proposed road. Additionally, please describe how the road will be constructed and how will it be reclaimed during reclamation.

Please revise the Exhibit A - Legal Description and all of the application exhibits to include the acreage for all proposed affected lands. If the inclusion of the road increases the affected acreage, please submit an application amendment to increase the affected acreage in accordance with Rule 1.8.

6.3.2 Exhibit B - Site Description

6. On Item 5 in Exhibit B - Site Description, the Applicant indicated there are no streams, springs, lakes, stock pond, ditches, reservoirs, and aquifers that would receive drainage directly from the mine. Clear Creek is located within 200 feet of the proposed milling operation. Please update Exhibit B to indicate Clear Creek as a potential receiving source of drainage from the proposed milling operation.

6.3.3 Exhibit C - Mining Plan

7. On Item 11 in the Mining Plan, the Applicant states a closed circuit mill will mill ore to concentrates. The proposed mill is located in a region of known acid producing ore bodies. During an inspection on August 4, 2020, the Applicant stated the waste rock material excavated to construct the mill facility would be processed in the mill. Please provide a list of all potential ore sources, documentation a mining permit for the sources has been issued by the Division and an acid base accounting (ABA) test for each potential ore source.
8. Please commit to performing and providing the results of an ABA for any future ore sources unknown at this time as a technical revision pursuant with Rule 1.9 if the permit application is approved and issued by the Division.
9. The Applicant states the waste sand and clay slimes will be sold to a brick manufacture. Please provide evidence a brick company is willing and under contract to accept the waste stream materials. Please describe how the waste materials will be stored on-site and transported to the brick company.
10. Please commit to performing a Toxicity Characteristic Leaching Procedure (TCLP) test on the waste materials from every individual ore source to document the wastes are inert prior to the material being removed from the site.
11. Please specify how the proposed milling operation will comply with applicable Colorado water laws and regulation governing injury to existing water rights pursuant to Rule 6.3.3(j) and provide the source of the water to be used at the mill.

12. Pursuant to Rule 6.3.3(1)(k), regardless of DMO status, if refuse and acid or toxic producing materials are exposed during mining, describe how they shall be handled and disposed of in a manner that will control unsightliness and protect the drainage system from pollution.
13. Please describe what measures will be taken to minimize disturbance to the hydrologic balance, prevent off-site damage and provide for a stable configuration of the reclaimed area consistent with the proposed future land use pursuant to Rule 6.3.3(1)(l).
14. Please describe the construction and operation of the sediment containment structures identified in the Closed Circuit Mill Flow Chart.
15. On Item 11 in the Mining Plan, the Applicant states 100 cubic yards of topsoil will be replaced during reclamation. On Item 5 in the Mining Plan, the Applicant indicated "N/A" for the depth of topsoil to be salvaged. Please provide the source and the cost to import the topsoil to the site in the reclamation cost estimate.

6.3.4 Exhibit D - Reclamation Plan

16. The reclamation cost estimate provided by the Applicant is not sufficient for the Division to accurately calculate the cost of reclamation which would be incurred by the State. Please provide all information necessary to calculate the cost for the reclamation of the proposed mill facilities pursuant to Rule 6.3.4(2). Please include the anticipated equipment types and models, material volumes, the demolition of the mill building and foundation and the reclamation of the settling tanks. The Division will estimate the reclamation cost following submittal of all information required to calculate the financial warranty by the Applicant.
17. As discussed in the Clear Creek County comment letter, please commit to providing evidence the proposed post-mining land use of Industrial/Commercial will be obtained from Clear Creek.
18. The Reclamation Plan map indicates the milling equipment and setting tank will remain following reclamation of the site. Please specify all buildings and structures to remain after reclamation and provide documentation the structures are permitted with Clear Creek County.

6.3.5 Exhibit E - Maps

19. Pursuant to Rule 6.3.5(2)(b), please update the Mining Plan Map to include the names of owner(s) of record of the surface of the affected area and of the land within two hundred (200) feet of the affected area, identify the owner of the substance to be mined, and the type of structure and owners of record of any permanent or man-made structures within two hundred (200) feet of the affected area.
20. Pursuant to Rule 6.3.5(3)(e), please update the Reclamation Plan Map to state the average thickness of replaced topsoil by reclamation area or phase.

21. The submitted Mining Plan map does not depict the proposed 4 acre permit boundary. Based on the scale, the Mining Plan map indicates a 5.26 acre permit boundary. Please explain this discrepancy and revise the permit application exhibits accordingly.
22. The Mining Plan and Reclamation Plan maps are not consistent and indicate different permit boundaries. Please explain this discrepancy and revise the permit application exhibits accordingly.
23. Please revise the Reclamation Plan map to show the gradient of all reclaimed slopes (horizontal: vertical) sufficient to describe the post mine topography pursuant with Rule 6.3.5(3)(a).
24. Please indicate where vegetation will not be established and the general area(s) for shrub and/or tree planting pursuant to Rule 6.3.5(3)(b).
25. Please indicate on the Mining Plan map where the processing waste materials, sand and slimes, will be stored and describe how all refuse and acid forming or toxic producing materials that have been mined shall be handled and disposed of in a manner that will control unsightliness and protect the drainage system from pollution pursuant with Rule 3.1.5(6).
26. Please indicate on the Mining Plan map where fuel will be stored on-site and provide a description of the spill containment measures.

6.3.6 Exhibit F - List of Other Permits and Licenses Required

27. The Applicant states a highway access permit and County zoning and land use permit will be obtained for the proposed milling operation. Please commit to providing the Division a copy of the approved permits when available.

6.3.9 Exhibit I - Proof of Filing with County Clerk

28. Please provide an affidavit or receipt indicating the date on which the revised application documents were placed with the Clear Creek County Clerk in response to this letter. Please note, the application documents are not required to be recorded by the county clerk, however the documents must be available for public review at the county clerk's office.

6.3.12 Exhibit L - Permanent Man-made Structures

Where the mining operation will adversely affect the stability of any significant, valuable and permanent man-made structure located within two hundred (200) feet of the affected land, the Applicant may either:

- a. provide a notarized agreement between the Applicant and the person(s) having an interest in the structure, that the Applicant is to provide compensation for any damage to the structure; or

- b. where such an agreement cannot be reached, the Applicant shall provide an appropriate engineering evaluation that demonstrates that such structure shall not be damaged by activities occurring at the mining operation; or
- c. where such structure is a utility, the Applicant may supply a notarized letter, on utility letterhead, from the owner(s) of the utility that the mining and reclamation activities, as proposed, will have "no negative effect" on their utility.

29. Please provide the Division with copies of the notarized structure agreements with all owners of the structures on and within 200 feet of the affected area of the proposed mine site.

Please be advised the Gladstone site application may be deemed inadequate, and the application may be denied on September 2, 2020, 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 September 2, 2020 and a request for additional time. This must be received no later than the deadline date.

If you have any questions, please contact me at peter.hays@state.co.us or (303) 866-3567 Ext. 8124.

Sincerely,



Peter S. Hays
Environmental Protection Specialist

Enclosures – Division of Water Resources and Clear Creek County Comment Letters

Ec: Jared Ebert; Division of Reclamation, Mining & Safety