



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Royal Gorge Field Office
3028 East Main Street
Cañon City, Colorado 81212

3809 LLCOF02000
COC 080250

DECISION

Viscount Colorado Holdings LTD	:	
Attn: Mark Abrams, Director	:	Surface Management
275 Moonshine Circle	:	
Reno, NV 89523	:	

NOTICE COMPLETE AND DETERMINATION FOR REQUIRED FINANCIAL GUARANTEE AMOUNT

The Viscount Colorado Holdings LTD [Viscount] Notice to conduct exploration drilling in the area north of Westcliffe, CO was originally received by this office on August 18, 2020, with additional information received throughout September and early October. The Bureau of Land Management (BLM) has reviewed the entire Notice and determined it is complete, containing all the information required by the surface management regulations outlined in 43 CFR 3809.301. The BLM has reviewed the proposed operation and determined it is adequate to prevent unnecessary or undue degradation as defined by 43 CFR 3809.5.

Based on review of data currently available, the proposed operation presents a low risk of impacting historic properties. There are also no lands or waters known to contain Federally proposed or listed threatened or endangered species or their proposed or designated critical habitat within the area of interest you have identified. Regulations outlined in 43 CFR 3809.420 (enclosure 1) provide further details on performance standards that apply to your Notice operation, which include those related to cultural resources and threatened or endangered species.

Required Financial Guarantee - This office has reviewed Viscount's reclamation cost estimate of \$350 and determined that it is not sufficient to meet all anticipated reclamation requirements. After coordination with the Colorado Division of Reclamation, Mining and Safety (CDRMS), BLM has determined that their estimate of \$2,000 is sufficient, given the very limited proposed disturbance and resulting required reclamation and based on the operator complying with all applicable operating and reclamation requirements as outlined in the Notice and the regulations at 43 CFR 3809.420.

A completed bond form that names BLM as a party and a financial guarantee in the amount of \$2,000 must be submitted to and accepted by CDRMS before you may begin any surface-disturbing operations.

The BLM's review of your proposed operations, determination that your Notice is complete, finding that the activity will not cause unnecessary or undue degradation, and decision concerning the amount of the required financial guarantee does not relieve you, the operator, of the responsibility to comply with all applicable Federal, state, and local laws, regulations, and permit requirements. You are responsible for preventing any unnecessary or undue degradation and for reclaiming all lands disturbed by your operations.

This review and determination does not constitute certification of ownership to any entity named in the Notice, recognition of the validity of any associated mining claims, or recognition of the economic feasibility of the proposed operations.

Term of Notice – A complete copy of your Notice is included with this letter (enclosure 2). Your Notice will remain in effect for 2 years from the date of this letter, unless you notify this office beforehand that operations have ceased and reclamation is complete. If you wish to conduct operations for another 2 years after the expiration date of your Notice, you must notify this office in writing on or before the expiration date as required by 43 CFR 3809.333. You will also have to submit an updated reclamation cost estimate at that time.

Appeal of the Decision Determining the Required Financial Guarantee Amount – Appeal of this Decision Determining the Required Financial Guarantee Amount can be pursued utilizing Form 1842-1 (enclosure 3).

If you have any questions, please contact Stephanie Carter at 719-269-8551.

Sincerely,

Keith E. Berger
Field Manager
Royal Gorge Field Office

3 Enclosures

- 1 – 43 CFR 3809.420 regulations
- 2 – Copy of Complete Notice
- 3 – Form 1842-1, Information on Taking Appeals to the Interior Board of Land Appeals

cc: Harald Hoegberg, consulting geologist
Eric Scott, CDRMS

ENCLOSURE 1



Excerpt of 43 Code of Federal Regulations

A full set of regulations can be obtained online at <http://www.gpoaccess.gov/cfr/index.html>

Sec. 3809.420 What performance standards apply to my notice or plan of operations?

The following performance standards apply to your notice or plan of operations:

(a) General performance standards.

- (1) *Technology and practices.* You must use equipment, devices, and practices that will meet the performance standards of this subpart.
- (2) *Sequence of operations.* You must avoid unnecessary impacts and facilitate reclamation by following a reasonable and customary mineral exploration, development, mining and reclamation sequence.
- (3) *Land-use plans.* Consistent with the mining laws, your operations and post-mining land use must comply with the applicable BLM land-use plans and activity plans, and with coastal zone management plans under 16 U.S.C. 1451, as appropriate.
- (4) *Mitigation.* You must take mitigation measures specified by BLM to protect public lands.
- (5) *Concurrent reclamation.* You must initiate and complete reclamation at the earliest economically and technically feasible time on those portions of the disturbed area that you will not disturb further.
- (6) *Compliance with other laws.* You must conduct all operations in a manner that complies with all pertinent Federal and state laws.

(b) Specific standards.

- (1) *Access routes.* Access routes shall be planned for only the minimum width needed for operations and shall follow natural contours, where practicable to minimize cut and fill. When the construction of access routes involves slopes that require cuts on the inside edge in excess of 3 feet, the operator may be required to consult with the authorized officer concerning the most appropriate location of the access route prior to commencing operations. An operator is entitled to access to his operations consistent with provisions of the mining laws. Where a notice or a plan of operations is required, it shall specify the location of access routes for operations and other conditions necessary to prevent unnecessary or undue degradation. The authorized officer may require the operator to use existing roads to minimize the number of access routes, and, if practicable, to construct access roads within a designated transportation or utility corridor. When commercial hauling is involved and the use of an existing road is required, the authorized officer may require the operator to make appropriate arrangements for use and maintenance.
- (2) *Mining wastes.* All tailings, dumps, deleterious materials or substances, and other waste produced by the operations shall be disposed of so as to prevent unnecessary or undue degradation and in accordance with applicable Federal and state Laws.
- (3) *Reclamation.*
 - (i) At the earliest feasible time, the operator shall reclaim the area disturbed, except to the extent necessary to preserve evidence of mineralization, by taking reasonable measures to prevent or control on-site and off-site damage of the Federal lands.
 - (ii) Reclamation shall include, but shall not be limited to:
 - (A) Saving of topsoil for final application after reshaping of disturbed areas has been completed;
 - (B) Measures to control erosion, landslides, and water runoff;

- (C) Measures to isolate, remove, or control toxic materials;
 - (D) Reshaping the area disturbed, application of the topsoil, and revegetation of disturbed areas, where reasonably practicable; and
 - (E) Rehabilitation of fisheries and wildlife habitat.
- (iii) When reclamation of the disturbed area has been completed, except to the extent necessary to preserve evidence of mineralization, the authorized officer shall be notified so that an inspection of the area can be made.
- (4) *Air quality.* All operators shall comply with applicable Federal and state air quality standards, including the Clean Air Act (42 U.S.C. 1857 *et seq.*).
- (5) *Water quality.* All operators shall comply with applicable Federal and state water quality standards, including the Federal Water Pollution Control Act, as amended (30 U.S.C. 1151 *et seq.*).
Note: We have been informed by the Colorado Department of Public Health and Environment (CDPHE) that if construction is to disturb more than 1 acre (total, incl. roads, work areas and facilities) that you will need a pre-mining construction storm water permit. This is under the CDPHE, Water Quality Control Division, clean water facilities program, industrial permits unit.
- (6) *Solid wastes.* All operators shall comply with applicable Federal and state standards for the disposal and treatment of solid wastes, including regulations issued pursuant to the Solid Waste Disposal act as amended by the Resource Conservation and Recovery Act (42 U.S.C. 6901 *et seq.*). All garbage, refuse or waste shall either be removed from the affected lands or disposed of or treated to minimize, so far as is practicable, its impact on the lands.
- (7) *Fisheries, wildlife and plant habitat.* The operator shall take such action as may be needed to prevent adverse impacts to threatened or endangered species, and their habitat which may be affected by operations.
- (8) *Cultural and paleontological resources.*
- (i) Operators shall not knowingly disturb, alter injure, or destroy any scientifically important paleontological remains or any historical or archaeological site, structures, building or object on Federal lands.
 - (ii) Operators shall immediately bring to the attention of the authorized officer any cultural and/or paleontological resources that might be altered or destroyed on Federal lands by his/her operations, and shall leave such discovery intact until told to proceed by the authorized officer. The authorized officer shall evaluate the discoveries brought to his/her attention, take action to protect or remove the resource, and allow operations to proceed with 10 working days after notification to the authorized officer of such discovery.
 - (iii) The Federal Government shall have the responsibility and bear the cost of investigations, and salvage of cultural and paleontology values discovered after a plan of operations has been approved, or where a plan is not involved.
- (9) *Protection of survey monuments.* To the extent practicable, all operators shall protect all survey monuments, witness corners, reference monuments, bearing trees and line trees against unnecessary or undue destruction, obliteration or damage. If, in the course of operation, any monuments, corners, or accessories are destroyed, obliterated, or damaged by such operations, the operator shall immediately report the matter to the authorized officer. The authorized officer shall prescribe, in writing, the requirements for the restoration or reestablishment of monuments, corners, bearing and line trees.
- (10) *Fire.* The operator shall comply with all applicable Federal and state fire laws and regulations, and shall take all reasonable measures to prevent and suppress fires in the area of operations.

(11) *Acid-forming, toxic, or other deleterious materials.* You must incorporate identification, handling, and placement of potential acid-forming, toxic or other deleterious materials into your operations, facility design, reclamation, and environmental monitoring programs to minimize the formation and impacts of acidic, alkaline, metal-bearing, or other deleterious leachate, including the following:

- (i) You must handle, place, or treat potentially acid-forming, toxic, or other deleterious materials in a manner that minimizes the likelihood of acid formation and toxic and other deleterious leachate generation (source control);
- (ii) If you cannot prevent the formation of acid, toxic, or other deleterious drainage, you must minimize uncontrolled migration of leachate; and
- (iii) You must capture and treat acid drainage, or other undesirable effluent, to the applicable standard if source controls and migration controls do not prove effective. You are responsible for any costs associated with water treatment or facility maintenance after project closure. Long-term, or post-mining, effluent capture and treatment are not acceptable substitutes for source and migration control, and you may rely on them only after all reasonable source and migration control methods have been employed.

(12) *Leaching operations and impoundments.*

- (i) You must design, construct, and operate all leach pads, tailings impoundments, ponds, and solution-holding facilities according to standard engineering practices to achieve and maintain stability and facilitate reclamation.
- (ii) You must construct a low-permeability liner or containment system that will minimize the release of leaching solutions to the environment. You must monitor to detect potential releases of contaminants from heaps, process ponds, tailings impoundments, and other structures and remediate environmental impacts if leakage occurs.
- (iii) You must design, construct, and operate cyanide or other leaching facilities and impoundments to contain precipitation from the local 100-year, 24-hour storm event in addition to the maximum process solution inventory. Your design must also include allowances for snowmelt events and drain down from heaps during power outages in the design.
- (iv) You must construct a secondary containment system around vats, tanks, or recovery circuits adequate to prevent the release of toxic solutions to the environment in the event of primary containment failure.
- (v) You must exclude access by the public, wildlife, or livestock to solution containment and transfer structures that contain lethal levels of cyanide or other solutions.
- (vi) During closure and at final reclamation, you must detoxify leaching solutions and heaps and manage tailings or other process waste to minimize impacts to the environment from contact with toxic materials or leachate. Acceptable practices to detoxify solutions and materials include natural degradation, rinsing, chemical treatment, or equally successful alternative methods. Upon completion of reclamation, all materials and discharges must meet applicable standards.
- (vii) In cases of temporary or seasonal closure, you must provide adequate maintenance, monitoring, security, and financial guarantee, and BLM may require you to detoxify process solutions.

(13) *Maintenance and public safety.* During all operations, the operator shall maintain his or her structures, equipment, and other facilities in a safe and orderly manner. Hazardous sites or conditions resulting from operations shall be marked by signs, fenced, or otherwise identified to alert the public in accordance with applicable Federal and state laws and regulations.

ENCLOSURE 2

ENCLOSURE 3