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DIVISION OF RECLAMATION MINING AND SAFETY

October 9, 2020 Reference Number 20-05

Mr. Lucas West Division of Reclamation, Mining and Safety 1313 Sherman St., Rm. 215 Denver, CO 80203

## Subject: La Plata Project, Notice of Intent (NOI) No. P-2020-011, Response to Notice of Deficiencies #1 and #2

Dear Mr. West:

Thank you for the opportunity to provide additional information for the Notice of Intent (NOI) submitted by Gault Group, LLC (GGL), on behalf of Metallic Minerals dated August 11, 2020. The following information addresses questions raised by your office in letters dated October 2, 2020 (#1), and October 8, 2020 (#2). Questions are included here in italics. GGL's responses are presented in standard font.

Notice of Deficiency #1

1. The application package contains the latitude and longitudinal coordinates of the site to be 37° 25'25.40", 108° 05' 19.53", however when verified those coordinates do not correspond to the site. According to the maps submitted, the actual location of the propose operation is 37° 24' 25.27"N, 108° 5' 19.59"W. Please verify the actual latitude and longitude of the proposed operation, and if necessary, provide a supplemental map of sufficient scale to show the proposed site location in relation to the general area.

During the transposing of coordinates of the drilling location, GGL inadvertently included incorrect latitude and longitude for the proposed drill pad. At the top of page 3, Section 5, please replace 37° 25' 25.40''N and 108° 05' 19.63''W with 37° 24' 25.27''N and 108° 5' 19.59''W.

Notice of Deficiency #2

1. Item III Project Description

a. The details included in the project description indicate that fluid drilling will be conducted using baffled tanks to recycle the drill water. In accordance with Rule 5.3.1

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(d), please clarify that the baffled tanks are also used in the management of cuttings from the drilling process or identify how the residual material will be handled to prevent those materials from entering any drainage way.

The baffled tanks will also be utilized in the management of drill cuttings. Drill cuttings settle out behind the baffles in the fluid recycle process. Cuttings are removed and containerized until placed back in the drill hole as part of the plugging process. Any excess cuttings will be hauled off-site and placed in a licensed disposal facility.

b. Similarly, in accordance with Rule 3.1.5 (5) please identify how the core samples to be extracted will be handled in order to prevent any potentially acid forming materials from entering the adjacent drainage.

Core boxes are water impervious cardboard containers designed specifically for core storage. Each box can accommodate five, two-foot sections (10 feet) of core. Core retrieved from the holes will be placed immediately in core boxes and transported off-site for logging, photo documentation, and analysis. Each day's production of core is removed from the site by the project geologist.

c. The project description along with the associated maps indicate the approximate drilling location in relation to a historic discharging mine adit. Please clarify in a narrative and any necessary drawings or more accurate maps that each of the drill holes are sufficient distance away from the flow path of the discharge waters that such waters will not come into contact with or have an effect on the drilling project as proposed.

As may be seen in Figure 2 of the NOI, and the attached photo, discharge from the portal has resulted in a clearly visible red stain on the waste rock dump. No discharge from the adit may be found outside the stained area. The western boundary of the activity area proposed for drilling is at least 30 feet east of the discharge path.

d. Item k of section III discusses the anticipated relationship to surface and groundwater of the project. While the narrative addresses the relationship between the surface waters of Bedrock Creek, and a contingency plan should a groundwater saturated zone be encountered please provide any and all necessary information required to support the claim that interception of groundwater is not anticipated.

Traditional aquifers typically require porous rock to host groundwater. Sedimentary rocks, like sandstones and limestones that are common in the Southwestern United States, are common hosts to groundwater. The rocks to be intersected by the proposed drilling in the La Plata Mountains are not sedimentary but are intrusive rocks (diorites and syenites) that are typically dense or "tight", with interlocking mineral grains that have no porosity. In areas, like around the Allard Tunnel, where intrusive rocks are the dominant rock type, groundwater is typically fracture-controlled. Open fractures that could potentially contain water on the property are typically narrow and widely spaced and under existing drought conditions are not currently being fed by active runoff. However, if an unanticipated small fracture hosting water is encountered it

can easily be contained through cementing of the interval (as described in the NOI) and by approved and mandated hole plugging methods when the hole is completed.

e. In conjunction with the clarifications required in item 1, a of this review, please identify the quantity and source of the water to be used in the fluid drilling operations of the proposed project.

As stated in the NOI, make-up water for the drilling process will be transported to the project using a water-buffalo, or truck-mounted tank. Approximately 500 gallons of make-up water will be transported each day to the site by the drill crew for augmentation of the recycle process. Make-up water will be obtained from a properly licensed water purveyor.

## 2. Item IV Operation and Reclamation Measures

a. While the proposed operation is to be conducted on an existing waste rock disturbance and no revegetation measures are proposed the potential for the importation of noxious weed species by personnel and equipment used on site exists. Please address how the applicant will ensure no noxious weeds will be imported by personnel or equipment and how the site will be monitored to ensure state listed noxious weeds will not impact the proposed project area.

Prior to mobilization of equipment to the site, all equipment will be power washed and inspected for plants or packed soil that might host noxious weed, or seeds. The waste rock dump will be inspected bi-annually for a period of two years to make sure that no noxious weeds have occurred as a result of drilling activities.

Thanks again for the opportunity to respond. Please feel free to contact me with any comments or questions regarding the information provided.

Regards,

GAULT GROUP, LLC

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Stephen E. Glass, President

Attachment

