



COLORADO
Division of Reclamation,
Mining and Safety
Department of Natural Resources

November 10, 2020

Richard Mittasch
Grand Island Resources LLC
4415 Caribou Rd
Nederland, CO 80466

RE: Cross Gold Mine, Permit No. M-1977-410, Approval of Technical Revision No. 8 (TR-08)

Mr. Mittasch:

On November 10, 2020, the Division of Reclamation, Mining and Safety (Division) approved the Technical Revision application (TR-08) filed with our Office on August 25, 2020, addressing the following:

To provide a detailed plan for the rehabilitation and replacement of the liners of Ponds 3A, 3B, and 3C at the Caribou Mine as well as additional improvements to the water treatment system.

The terms of TR-08 approved by the Division are hereby incorporated into Permit No. M-1977-410. All other conditions and requirements of Permit No. M-1977-410 remain in full force and effect.

In its review of TR-08, the Division determined the required financial warranty for the site to be in the amount of \$39,811.00, which is \$8,311.00 more than the currently held amount of \$31,500.00 (see enclosed bond estimate for TR-08 additional costs). A notice of surety increase will be mailed to you separately from this letter for the amount above. You will have 60 days from the date of the notice to post the additional required financial warranty.

Please be advised, the Division's approval of TR-08 does not eliminate the requirement for the operator to submit (in a subsequent revision) a final closure plan addressing long-term water management for the site, and provide an updated bond estimate for the proposed closure plan.

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: Division's bond estimate for TR-08 additional costs

Cc: Michael Cunningham, DRMS



COST SUMMARY WORK

Task description: Cost Summary

Site: Cross Gold Mine

Permit Action: TR-8 Bond Increase

Permit/Job#: M1977410

PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 11/10/2020

County: Boulder

Filename: M410-000

User: AME

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Removal and disposal of sludge from ponds 3A-C (max 7.5 cy)	NA	1	6.00	\$3,000
002	Level and backfill new water shed near pond 3A	NA	1	6.00	\$1,500
003	Excavate and remove 10" driscoll pipe and 8" SDR 35 (300' L)	NA	1	4.00	\$2,500
<u>SUBTOTALS:</u>				16	\$7,000

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$141

Performance bond: 1.05

Total = \$74

Job superintendent: 0.00

Total = \$0

Profit: 10.00

Total = \$700

TOTAL O & P = \$915

CONTRACT AMOUNT (direct + O & P) = \$7,915

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): \$0

Total = \$0

Engineering work and/or contract/bid preparation: 0.00

Total = \$0

Reclamation management and/or administration: 5.00

\$396

CONTINGENCY: 0.00

Total = \$0

TOTAL INDIRECT COST = \$1,311

TOTAL BOND AMOUNT (direct + indirect) = \$8,311