

November 13, 2020

Lance Barker Mineral Mountain Gold, LLC P.O. Box 247 Cripple Creek, CO 80813

Re: Adequacy Review, Technical Revision TR-01, Mineral Mountain Project, Permit M-2014-045

Mr. Barker:

On October 15, 2020, Request for Technical Revision TR-01 was filed with the Division addressing changes to the Mineral Mountain Project, Permit No. M-2014-045. Specifically, TR-01 was submitted to address a portion of the corrective actions of Violation MV-2020-021. The decision date for TR-01 has been set for November 16, 2020, however the Operator may request an extension of this date to respond to the following adequacy review items. Please note, the Division traditionally grants extensions in 30-day increments following a request by the Operator. Please respond to these adequacy issues with a letter summarizing each response, to the numbered items below, in a cover letter titled "Adequacy Review Response TR-01; M-2014-045".

- 1. The TR-01 application proposes to relocate drums of xanthate off-site and store the drums of xanthate on undisclosed private property until a final use of the xanthate is determined. In accordance to the Board Order for Violation MV-2020-021, this proposal does not represent an appropriate disposal plan for the unauthorized xanthate chemicals currently stored on site. Please provide the amount of xanthate currently stored on site. Please provide the amount of sterester.
- 2. The TR-01 application proposes to dispose of, at a land fill, the remaining xanthate residue after the water is evaporated from the feed tanks. Please provide an estimated amount of xanthate residue that is currently on site. Please provide details on how the xanthate residue will be handled and transported to ensure there are no unauthorized releases to the environment. Please commit to providing appropriate documentation, land fill receipts, and chain of custody forms for the disposal of the xanthate residue.
- **3.** The TR-01 application proposes to transport floatation concentrates off-site and out of state for further metallurgical testing. Please provide an estimated amount of the floatation concentrate that is currently on site. Please provide details on how the floatation concentrates will be handled and transported to ensure there are no unauthorized releases to the environment. Please commit to providing appropriate documentation demonstrating the testing facility received the floatation concentrates.
- 4. The TR-01 application proposes to sample and test the mill tailings for RCRA Metals, Volatiles, Semi Volatiles, and Xanthate. The TR-01 application stated that once the material has been characterized, a plan will be put together to properly handle this material. On November 2, 2020, the Operator provided to the Division, a Mineral Mountain Xanthate-Tailings Investigation document completed by Braun Environmental, Inc. which included the sampling results of the mill tailings. The Operator did not provide a plan to handle the mill tailings with the submitted characterization report. Please provide the proposed plan to handle the tailings.
- 5. The RCRA Metals testing results show the mill tailings contain an arsenic concentration of 177 mg/kg, an exceedance of the CDPHE Residential Soil Standard of 0.39 mg/kg. The Mineral Mountain Xanthate-

1313 Sherman Street, Room 215, Denver, CO 80203 P 303.866.3567 F 303.832.8106 http://colorado.gov/DRMS Jared Polis, Governor | Dan Gibbs, Executive Director | Virginia Brannon, Director



Tailings Investigation document states that, "it is commonly known that elevated arsenic concentrations in Colorado are associated with hydrothermal activity and while the State has developed standards, normal arsenic background values in Colorado can be well above those set standards." The Mineral Mountain Xanthate-Tailings Investigation document also contains a quote to a CDPHE footnote regarding the CDPHE published standards for soils and drinking water naturally occurring arsenic concentrations which states, "If adequate background sampling is available that confirms the naturally occurring background concentration of arsenic adjacent to a facility is higher than the table value, the background concentration may be used for site screening and remediation purposes." Please provide the adequate background sampling which confirms soils adjacent to the permit have a similar exceedance of the set standard or provide the results of new samples which demonstrates arsenic concentrations of the adjacent undisturbed soils are comparable to the sampled mill tailings.

6. The Mineral Mountain Xanthate-Tailings Investigation document includes and references an August 6, 2014 Engineering Report titled, "Rock Testing for Acid Generation and Rock Buffering." The 2014 Engineering Report includes acid-base accounting (ABA) testing which was performed prior to permit issuance. This 2014 Engineering Report, which ultimately required the Operator to convert to a 110d permit, showed two samples were uncertain for acid-producing potential and the third was potentially acid-producing. As the third sample was a 1-inch wide vein and represented a portion of the target feature of the mine, the mill tailings have the potential to be acid-producing as well. Please provide ABA test results of the mill tailings or propose a plan to appropriately handle and dispose of the tailings.

This concludes the Division's adequacy review of TR-01. Subsequent to receipt and review of the Operator's response to these items, the Division may identify additional items. As a reminder, please be advised TR-01 may be deemed inadequate, and the request may be denied on November 16, 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 November 16, 2020, and the request for additional time. This must be received no later than the deadline date.

If you need additional information or have any questions, please contact me at Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at **303-866-3567 x8132**, or by email at <u>elliott.russell@state.co.us</u>.

Sincerely,

Elliott R. Russell Environmental Protection Specialist

Ec: Jason Musick, DRMS