

DRMS Recd:
May 6, 2021

The Union Milling Contractors

P.O. Box 620490
Littleton, CO 80162-0490
+1.303.947.3499

VIA EMAIL

6 May 2021

Dustin Czapla
Division of Reclamation, Mining and Safety
Department of Natural Resources
1313 Sherman St., Room 215
Denver, CO 80203
Ph: 303-866-3567
dustin.czapla@state.co.us

RE: M1990-057 | 112(d) Permit Application (Amendment 2) Resubmission No. 2

Dear Dustin,

Per your letter dated 4 May, please find attached our resubmission of the permit application. Each item below has been addressed and provided in the 4 attached PDF files:

1. **Application Form:** Please correct item #1 on page one of the application form. Permit # M- 1990-057 is currently issued to Union Milling Company, LLC, so this is the company name that should be used on the application form.

See File: 01a_20210506_M1990-057PermitApplication.pdf

2. **Exhibit R – Proof of Filing with County Clerk and Recorder:** Please submit an affidavit or receipt indicating the date on which the application was placed with the local County Clerk and Recorder for public review, pursuant to Rule 1.6.2(1)(c).

See File: 03a_20210506_M1990-057ClerkRecorderReceipt.pdf

We look forward to continuing our work with you as we advance this project. Please contact me at 303-947-3499 or nmichael@unionmilling.com if I can be of assistance.

Sincerely,

Nick Michael
Member

attachments



**REGULAR (112d) DESIGNATED MINING OPERATION
RECLAMATION PERMIT
APPLICATION FORM**

CHECK ONE: ☐ New Application (Rule 1.4.5) ☐ Amendment Application (Rule 1.10)
☒ Conversion Application (Rule 1.11)

Permit No. M- 1990 - 057 (provide for amendments and conversions of existing permits)

The application for a Regular (112d) Designated Mining Operation Reclamation Permit contains three major parts: (1) the application form; (2) Exhibits A-T, Geotechnical Stability Exhibit, the Emergency Response Plan, and Addendum 1, as required by the Office, and outlined in Rules 6.1, 6.2, 6.3, 6.4.19, 6.5, 8.0, and 1.6.2(1)(b); and, (3) the application fee. When you submit your application, be sure to include one (1) **signed and notarized original** and four (4) copies of the application form, five (5) copies of Exhibits A-T, Rule 6.5 Geotechnical Stability Exhibit, the Emergency Response Plan, Addendum 1, and a check for the appropriate application fee (described under Section (4) on Page 2). Exhibits should not be bound or in a 3-ring binders; maps should be folded to 8 1/2" X 11" or 8 1/2" X 14" size. To expedite processing, please provide the information in the format and order described in this form.

GENERAL OPERATION INFORMATION

Type or print clearly, in the space provided, all information described below.

1. **Applicant/operator or company name (name to be used on permit):**

Union Milling Company, LLC

1.1 Type of organization (corporation, partnership, etc.): LLC

1.2 I.R.S. Tax ID No. or Social Security Number: 46-1790072

2. **Operation name (pit, mine or site name):**

Leadville Mill

3. **Permitted acreage:** (new or existing site)

8 permitted acres

3.1 Change in acreage (+) 12.7 acres

3.2 Total acreage in Permit area 20.7 acres



4. **Fees:**

- | | | |
|------|---|--|
| 4.1 | <u>New</u> 112d(1) Application (affecting less than 50 acres and extracting less than 1 million tons per year) application fee | <u>\$4,025.00</u> |
| 4.2 | <u>New</u> 112d(2) Application (larger than above but affecting less than 100 acres and extract less than 5 million tons per year) | <u>\$6,900.00</u> application fee |
| 4.3 | <u>New</u> 112d(3) Application (any other operation) | <u>\$9,200.00</u> application fee |
| 4.4 | <u>Existing</u> 112d(1) Amendment Fee | <u>\$2,300.00</u> amendment fee |
| 4.5 | <u>Existing</u> 112d(2) Amendment Fee | <u>\$4,025.00</u> amendment fee |
| 4.6 | <u>Existing</u> 112d(3) Amendment Fee | <u>\$7,475.00</u> amendment fee |
| 4.7 | <u>New</u> 112d(1) Amendment Fee | <u>\$2,875.00</u> amendment fee |
| 4.8 | <u>New</u> 112d(2) Amendment Fee | <u>\$4,600.00</u> amendment fee |
| 4.9 | <u>New</u> 112d(3) Amendment Fee | <u>\$8,050.00</u> amendment fee |
| 4.10 | Conversion Fee | see above application fees |

5. **Primary commoditie(s) to be mined:** Gold Silver

6. **Name of owner of surface of affected land:** CJK Milling Company LLC

7. **Name of owner of subsurface rights of affected land:** _____
If 2 or more owners, refer to Exhibit O.

8. **Type of mining operation:** ☒ Surface ☐ Underground

9. **Location Information:** the center of the area where the majority of mining will occur lies in:
COUNTY: Lake

PRINCIPAL MERIDIAN (check one): ☒ 6th (Colorado) ☐ 10th (New Mexico) ☐ Ute

SECTION (write number): 33

TOWNSHIP (write number and check direction): 9 T ☐ North ☒ South

RANGE (write number and check direction): 80 R ☐ East ☒ West

QUARTER SECTION (check one): ☒ NE ☐ NW ☐ SE ☐ SW

QUARTER/QUARTER SECTION (check one): ☒ NE ☐ NW ☐ SE ☐ SW

GENERAL DESCRIPTION (miles and direction from nearest town and approximate elevation):

The Mill is located approximately 2.5 miles West of Leadville on US Highway 24 at an elevation of 9,760.

10. **Primary Mine Entrance Location** (report in either Latitude/Longitude **OR** UTM):

Latitude/Longitude:

Example: (N) 39° 44' 12.98"

(W) 104° 59' 3.87"

Latitude (N): deg 39 min 13 sec 44 41 (2 decimal places)

Longitude (W): deg 106 min 19 sec 51 14 (2 decimal places)

OR

Example: (N) 39.73691°
(W) -104.98449°

Latitude (N) _____ (5 decimal places)

Longitude (W) - _____ (5 decimal places)

OR

Universal Transverse Mercator (UTM)

Example: 201336.3 E NAD27 Zone 13
4398351.2 N

UTM Datum (specify NAD27, NAD83 or WGS 84) NAD27 Zone 13

Easting _____

Northing _____

11. **Primary future (Post-mining) land use** (check one):

- | | | |
|--|---|---|
| <input type="checkbox"/> Cropland(CR) | <input type="checkbox"/> Pastureland(PL) | <input type="checkbox"/> General Agriculture(GA) |
| <input type="checkbox"/> Rangeland(RL) | <input type="checkbox"/> Forestry(FR) | <input type="checkbox"/> Wildlife Habitat(WL) |
| <input type="checkbox"/> Residential(RS) | <input type="checkbox"/> Recreation(RC) | <input checked="" type="checkbox"/> Industrial/Commercial(IC) |
| <input type="checkbox"/> Developed Water Resources(WR) | <input type="checkbox"/> Solid Waste Disposal(WD) | |

12. **Primary present land use** (check one):

- | | | |
|--|--|---|
| <input type="checkbox"/> Cropland(CR) | <input type="checkbox"/> Pastureland(PL) | <input type="checkbox"/> General Agriculture(GA) |
| <input type="checkbox"/> Rangeland(RL) | <input type="checkbox"/> Forestry(FR) | <input type="checkbox"/> Wildlife Habitat(WL) |
| <input type="checkbox"/> Residential(RS) | <input type="checkbox"/> Recreation(RC) | <input checked="" type="checkbox"/> Industrial/Commercial(IC) |
| <input type="checkbox"/> Developed Water Resources(WR) | | |

13. **Method of Mining:** ☒ Quarry (QR) ☐ Solution (SO)

13.1 Other: Briefly explain mining method (e.g. Placer, truck/shovel): _____
The permit application is for a toll mill only. This mill will process ore from a surface operation that will be permitted separately with CDRMS.

14. **Correspondence Information:**

APPLICANT/OPERATOR (name, address, and phone of name to be used on permit):

Contact's Name: Steve Craig Title: Member
Company Name: Union Milling Contractors, LLC
Street: _____ P.O. Box: 620490
City: Littleton
State: CO Zip Code: 80162
Telephone Number: (303) - 877-9701
Fax Number: () -

PERMITTING CONTACT (if different from applicant/operator above):

Contact's Name: _____ Title: _____
Company Name: _____
Street: _____ P.O. Box: _____
City: _____
State: _____ Zip Code: _____
Telephone Number: () -
Fax Number: () -

INSPECTION CONTACT:

Contact's Name: Steve Craig Title: Member
Company Name: Union Milling Contractors, LLC
Street: _____ P.O. Box: 620490
City: Littleton
State: CO Zip Code: 80162
Telephone Number: (303) - 877-9701
Fax Number: () -

CC: STATE OR FEDERAL LANDOWNER (if any):

Agency: _____
Street: _____
City: _____
State: _____ Zip Code: _____
Telephone Number: () -

CC: STATE OR FEDERAL LANDOWNER (if any):

Agency: _____
Street: _____
City: _____
State: _____ Zip Code: _____
Telephone Number: () -

15. **On Site Processing:**

| | | | | | |
|--------------------------|-----------------|-------------------------------------|----------------|--------------------------|--------------|
| <input type="checkbox"/> | Solution (SO) | <input type="checkbox"/> | Chemical (CH) | <input type="checkbox"/> | Thermal (TH) |
| <input type="checkbox"/> | Heap Leach (HL) | <input checked="" type="checkbox"/> | Vat Leach (VL) | | |

List any designated chemicals or acid-producing materials to be used or stored within permit area: CaO, NaCN, NaHSO3, CuSO4, Pb(NO3)2, ZnO, Na2[B4O5(OH)4], Na2O3, KNO3, CaF2

Description of Amendment:

If you are amending or converting an existing operation, provide a brief narrative describing the proposed change(s):
Converting 110(d) to 112(d) to include cyanide vat leaching, and to allow for a future expansion of the
tailings facility. Also operating capacity to increase from 200 tpd to 400 tpd. Operation will remain a
toll mill.

Maps and Exhibits:

Five (5) complete, unbound application packages must be submitted. One complete application package consists of a signed application form and the set of maps and exhibits referenced below as Exhibits A-T, the Geotechnical Stability Exhibit, the Emergency Response Plan, and Addendum 1. Each exhibit within the application must be presented as a separate section. Begin each exhibit on a new page. Pages should be numbered consecutively for ease of reference. If separate documents are used as appendices, please reference these by name in the exhibit.

With each of the five (5) signed application forms, you must submit a corresponding set of the maps and exhibits as described in the following references to Rules 6.4, 6.5, 8, and 1.6.2(1)(b):

| | |
|--------------|--|
| EXHIBIT A - | Legal Description |
| EXHIBIT B - | Index Map |
| EXHIBIT C - | Pre-Mining and Mining Plan Map(s) of Affected Lands |
| EXHIBIT D - | Mining Plan |
| EXHIBIT E - | Reclamation Plan |
| EXHIBIT F - | Reclamation Plan Map |
| EXHIBIT G - | Water Information |
| EXHIBIT H - | Wildlife Information |
| EXHIBIT I - | Soils Information |
| EXHIBIT J - | Vegetation Information |
| EXHIBIT K - | Climate Information |
| EXHIBIT L - | Reclamation Costs |
| EXHIBIT M - | Other Permits and Licenses |
| EXHIBIT N - | Source of Legal Right-To-Enter |
| EXHIBIT O - | Owners of Record of Affected Land (Surface Area) and Owners of Substance to be Mined |
| EXHIBIT P - | Municipalities Within Two Miles |
| EXHIBIT Q - | Proof of Mailing of Notices to County Commissioners and Conservation District |
| EXHIBIT R - | Proof of Filing with County Clerk and Recorder |
| EXHIBIT S - | Permanent Man-Made Structures |
| EXHIBIT T - | Designated Mining Operation Environmental Protection Plan |
| RULE 6.5 - | Geotechnical Stability Exhibit |
| RULE 8 - | Emergency Response Plan |
| ADDENDUM 1 - | Notice Requirements (sample enclosed) (Rule 1.6.2(1)(b)) |

The instructions for preparing Exhibits A-T, the Geotechnical Stability Exhibit, the Emergency Response Plan, and Addendum 1, are specified under Rule 6.4, 6.5, 8, and 1.6.2(1)(b) of the Mineral Rules and Regulations. If you have any questions on preparing the Exhibits or content of the information required, or would like to schedule a pre-application meeting you may contact the Office at 303-866-3567.

Responsibilities as a Permittee:

Upon application approval and permit issuance, this application becomes a legally binding document. Therefore, there are a number of important requirements which you, as a permittee, should fully understand. These requirements are listed below. Please read and initial each requirement, in the space provided, to acknowledge that you understand your obligations. If you do not understand these obligations then please contact this Office for a full explanation.

1. Your obligation to reclaim the site is not limited to the amount of the financial warranty. You assume legal liability for all reasonable expenses which the Board or the Office may incur to reclaim the affected lands associated with your mining operation in the event your permit is revoked and financial warranty is forfeited;
2. The Board may suspend or revoke this permit, or assess a civil penalty, upon a finding that the permittee violated the terms or conditions of this permit, the Act, the Mineral Rules and Regulations, or that information contained in the application or your permit misrepresent important material facts;
3. If your mining and reclamation operations affect areas beyond the boundaries of an approved permit boundary, substantial civil penalties, to you as permittee can result;
4. Any modification to the approved mining and reclamation plan from those described in your approved application requires you to submit a permit modification and obtain approval from the Board or Office;
5. It is your responsibility to notify the Office of any changes in your address or phone number;
6. Upon permit issuance and prior to beginning on-site mining activity, you must post a sign at the entrance of the mine site, which shall be clearly visible from the access road, with the following information (Rule 3.1.12):
 - a. the name of the operator;
 - b. a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and,
 - c. the permit number.
7. The boundaries of the permit boundary area must be marked by monuments or other markers that are clearly visible and adequate to delineate such boundaries prior to site disturbance.
8. It is a provision of this permit that the operations will be conducted in accordance with the terms and conditions listed in your application, as well as with the provisions of the Act and the Mineral Rules and Regulations in effect at the time the permit is issued.
9. Annually, on the anniversary date of permit issuance, you must submit an annual fee (\$1,150), and an annual report which includes a map describing the acreage affected and the acreage reclaimed to date (if there are changes from the previous year), any monitoring required by the Reclamation Plan to be submitted annually on the anniversary date of the permit approval. Annual fees are for the previous year a permit is held. For example, a permit with the anniversary date of July 1, 1995, the annual fee is for the period of July 1, 1994 through June 30, 1995. Failure to submit your annual fee and report by the permit anniversary date may result in a civil penalty, revocation of your permit, and forfeiture of your financial warranty. It is your responsibility, as an operator, to continue to pay your annual fee to the Office until the Board releases you from your total reclamation responsibility.

Certification:

As an authorized representative of the applicant, I hereby certify that the operation described has met the minimum requirements of the following terms and conditions:

1. This mining operation will not adversely affect the stability of any significant, valuable and permanent man-made structure(s) located within two hundred (200) feet of the affected lands. (However, where there is an agreement between the applicant/operator and the persons having an interest in the structure that damage to the structure is to be compensated for by the applicant/operator (Section 834-32-115(4)(d), C.R.S. 1984, as amended), then mining may occur within 200 feet. Proof of an agreement must be submitted to the Office prior to the decision date.)
2. No mining operation will be located on lands where such operations are prohibited by law (Section 34-32-115(4)(f), C.R.S. 1984, as amended);
3. As the applicant/operator, I do not have any mining/prospecting operations in this state of Colorado currently in violation of the provisions of the Mined Land Reclamation Act (Section 34-32-120, C.R.S. 1984, as amended) as determined through a Board finding.
4. I understand that statements in the application are being made under penalty of perjury and that false statements made herein are punishable as a Class 1 misdemeanor pursuant to Section 18-8-503, C.R.S. 1984, as amended.

This form has been approved by the Mined Land Reclamation Board pursuant to section 34-32-112, C.R.S., of the Mined Land Reclamation Act. Any alteration or modification of this form shall result in voiding any permit issued on the altered or modified form and subject the operator to cease and desist orders and civil penalties for operating without a permit pursuant to section 34-32-123, C.R.S.

Signed and dated this 4th day of MAY, 2021.

UNION MILLING CONTRACTORS LLC If Corporation Attest (Corporate/County Seal)

Applicant/Operator Name

Signature:

NICK MICHAEL

By: _____

Corporate Secretary or Equivalent

Town/City/County Clerk

Title: MEMBER

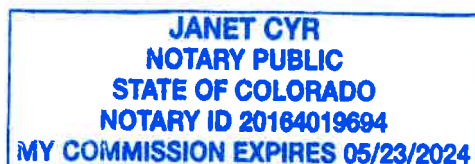
State of CO

) ss.

County of Jefferson

The foregoing instrument was acknowledged before me this 4 day of May, 2021

by Nicholas Michael as member of Union Milling Contractors



Janet Cyr
Notary Public

My Commission expires: 5/23/2024

Union Milling Company LLC

Leadville Mill

Proof of Filing with County Clerk & Recorder

I Patricia H. Berger hereby affirm I received a copy of the 112(d) Reclamation Permit Application M1990-057 for the Leadville Mill, Leadville Colorado on

April 29, _____, 2021, on behalf of Lake County, Clerk & Recorder's Office.

County date stamp if applicable:

Patricia A. Berger

RECEIVED
APR 29 2021

**LAKE COUNTY CLERK
& RECORDER**