



COLORADO
**Division of Reclamation,
Mining and Safety**
Department of Natural Resources
1313 Sherman Street, Room 215
Denver, CO 80203

May 21, 2021

Angela M. Bellantoni Ph.D.
Environmental Alternatives, Inc.
P.O. Box 326
Canon City, CO 81215

Re: Salisbury Gladstone LLC; Gladstone Toll Mill; File No. M-2021-007; Designated Mining Limited Impact (110d) Operation Reclamation Permit Application Adequacy Review

Ms. Bellantoni:

The Division of Reclamation, Mining and Safety (Division/DRMS) reviewed the content of the Salisbury Gladstone LLC permit application for the Gladstone Toll Mill, File No. M-2021-007 and submits the following comments. The Division is required to make an approval or denial decision no later than May 26, 2021 therefore; a response to the following adequacy review concerns should be submitted to the Division as soon as possible.

The review consisted of comparing the application contents with specific requirements of Rules 1, 3, 6.1, 6.2, 6.3, 6.4.21, 6.5 and 8 of the Minerals Rules and Regulations of the Colorado Mined Land Reclamation Board for Hard Rock, Metal and Designated Mining Operations. Any inadequacies are identified under the respective exhibit heading along with suggested corrective actions.

1.6 - Public Notice

1. As required by Rules 1.6.2(d) and 1.6.3(3), please submit proof of publication in a newspaper of general circulation in the locality of the proposed mining operation.

The Applicant submitted proof of publication for the application on May 11, 2020. The publication listed the location of the proposed mill incorrectly as located in Range 72 West instead of Range 73 West. The Division will require the Applicant to republish and mail corrected notices for the application pursuant to Rule 1.6.6. The Division will establish a new decision date based on the publication date in accordance with Rule 1.4.6.



2. As required by Rule 1.6.2(e), please submit proof of the notice to all owners of record of surface and mineral rights of the affected land and the owners of record of all land surface within 200 feet of the boundary of the affected land including all easement holders located on the affected land and within 200 feet of the boundary of the affected land. Proof of notice may be return receipts of a Certified Mailing or by proof of personal service.

As discussed in Item #1, the Division will require the Applicant to mail corrected notices for the application pursuant to Rule 1.6.6.

3. The Division received comments from the Colorado Division of Water Resources and History Colorado. The letters are attached for review. Please address the comments noted in the letters and revise the application accordingly.
4. The Division sent the Applicant a copy of all timely objections received for the application from Stanley Mining Company, LLC and Stanley Mines Adventure Park, LLC on May 11, 2021. Please inform the Division how the Applicant intends to address the jurisdictional issues raised by Objectors.

The Applicant submitted a response to the objections raised by the Objectors on May 19, 2021. No additional response is required at this time.

5. The cover letter from Environmental Alternatives, Inc. dated February 1, 2021 states the historic byproducts will be chemically characterized for use in the construction industry as concrete sand or utility installation backfill material. Please provide a detailed explanation of the characterization process for the byproduct material(s). Please include the testing frequency for every individual ore body source to be processed at the proposed mill site and commit to providing the results to the Division prior to the removal of the material from the property.

6.3 Specific Exhibit Requirements - Designated Mining Limited Impact (110d) Operation

The following items must be addressed by the Applicant in order to satisfy the requirements of C.R.S. 34-32-101 et seq. and the Hard Rock Rules and Regulations of the Mined Land Reclamation Board:

6.3.2 Exhibit B - Site Description

6. The Applicant states the soils in the mill area are primarily rock outcrop and historic mine spoils. The soils report provided by the Applicant indicates there is topsoil in portions of the site where the following soil units exist: Cathedral and Resort portion of the "Rock outcrop - Cathedral - Resort Complex" (0 to 14" with O, A, and B horizon), Lone Rock Breece gravely sandy loams (0 to 20" A horizon), and Bendemeere - Tolland complex (0 to 11" O and A horizon). Please explain this discrepancy and revise Exhibit B accordingly.

6.3.3 Exhibit C - Mining Plan

7. The Applicant states approximately 1000 tons or five days' worth of feedstock will be stockpiled on a concrete pad near the feed hopper. The proposed mill is located in a region of known acid producing ore bodies. Please describe how the feedstock pad will be constructed to prevent potential acid generating material from leaving the pad due to wind or water erosion.
8. The Applicant states the feedstock and fines storage pads will be 30' x 30'. The proposed mill is located in a region of known acid producing ore bodies. Please describe how the pads will be constructed to prevent potential acid generating material from leaving the pad due to wind or water erosion.
9. The Applicant states approximately 145 gpm of water will be needed of which approximately 90% is recirculated. Please explain what will happen to the remaining 10% of the water.
10. The Applicant states water with pH lower than 6 and higher than 8.5 will be diverted to a holding tank where it will be neutralized prior to returning to the water circuit. Please explain the process and list all potentially designated chemical used to control the pH of the milling water.
11. The Applicant states stormwater will be managed with road side ditches or collection sumps from mill structures and stormwater run-off from structures will be directed to the sumps and pumped into the process water system. Please provide typical construction details for the stormwater control structures.
12. The Applicant states the feedstock and byproducts will be characterized by TCLP for hazardous waste determination and then tested against construction material standards for suitability for use in the construction industry. Please provide the construction material testing standards the Applicant is referring too. Additionally, how will the waste products not passing the TCLP test be stored and disposed of properly.
13. Please commit to obtaining a Beneficial Use Determination (BUD) from the Colorado Department of Public Health and Environment (CDPHE) - Hazardous Waste Management Division for every new waste product from each new ore source prior to the material being removed from the site. A copy of the Memorandum of Understanding (MOU) between the Division and CDPHE is attached for reference.
14. The Division's review of the CYTEC safety data sheet submitted by the Applicant determined AEROSOL OT-75% Surfactant is a designated chemical. Please explain the storage and use of AEROSOL to comply with the requirements of a designated chemical determination.

15. Please provide a copy of the proposed Closed Circuit Mill Flow Chart for Division review.
16. The Applicant states the Gladstone Toll Mill (GTM) **will** impact the hydrologic balance. Please confirm the Applicant intended to state the GTM **will not** impact the hydrologic balance and revise Exhibit C accordingly or explain how the hydrologic balance will be impacted in more detail.

6.3.4 Exhibit D - Reclamation Plan

17. The Division will estimate the reclamation cost to reclaim the proposed mill site following the Applicant's response to this letter and provide the estimate under separate cover.
18. The Applicant states the current zoning for the proposed mill is zoned as Mining District which allows mining, processing and milling. The Applicant committed to changing the zoning to industrial/commercial at the end of the mill life.

The Division will require the Applicant to provide an alternative Reclamation Plan to reclaim the site if the Applicant is unable to obtain a commercial/industrial zoning designation. The alternate plan must include the removal of all facilities used during the milling operation. Please include an alternate Reclamation Plan for demolition, grading, topsoiling and revegetation of the proposed milling operation.

The Division will calculate the required reclamation bond based on the alternate Reclamation Plan until documentation is provided from Clear Creek County of the approved zoning change allowing the facilities to remain on-site.

6.3.5 Exhibit E - Maps

19. Pursuant to Rule 6.3.5(2)(b), please update the Mining Plan Map to include the names of owner(s) of record of the surface of the affected area and of the land within two hundred (200) feet of the affected area, identify the owner of the proposed mill location, and the type of structure and owners of record of any permanent or man-made structures within two hundred (200) feet of the affected area.
 - a. Please label the overhead power line with the name of the owner of record, Xcel Energy.
20. Pursuant to Rule 6.2.1(b), all maps must be prepared and signed by a registered land surveyor, professional engineer, or other qualified person. Please provide signed copies of the Exhibit E maps.
21. Please provide a Reclamation Plan Map based on the alternative Reclamation Plan discussed in Item #18.

6.3.9 Exhibit I - Proof of Filing with County Clerk

22. Please provide an affidavit or receipt indicating the date on which the revised application documents were placed with the Clear Creek County Clerk and Recorder in response to this letter. Please note, the application documents are not required to be recorded by the county clerk, however the documents must be available for public review at the county clerk's office.

6.3.12 Exhibit L - Permanent Man-made Structures

Where the mining operation will adversely affect the stability of any significant, valuable and permanent man-made structure located within two hundred (200) feet of the affected land, the Applicant may either:

- a. provide a notarized agreement between the Applicant and the person(s) having an interest in the structure, that the Applicant is to provide compensation for any damage to the structure; or
 - b. where such an agreement cannot be reached, the Applicant shall provide an appropriate engineering evaluation that demonstrates that such structure shall not be damaged by activities occurring at the mining operation; or
 - c. where such structure is a utility, the Applicant may supply a notarized letter, on utility letterhead, from the owner(s) of the utility that the mining and reclamation activities, as proposed, will have "no negative effect" on their utility.
23. Please update Exhibit L to indicate Stanley Road as a structure within 200 feet of the affected land and provide the ownership information for the road in Exhibit L.
24. Please provide the Division with a copy of the notarized structure agreement with the owner of Stanley Road or otherwise comply with Rule 6.3.12(b) or (c) as appropriate.

6.4.21 Exhibit U - Designated Mining Operation Environmental Protection Plan

25. The Division determined AEROSOL OT-75% Surfactant is a designated chemical. Please provide a revised Environmental Protection Plan (EPP) for the use of a designated chemical within the milling process pursuant to Rule 6.4.21.

Rule 8 - Emergency Response Plan

26. The Division determined AEROSOL OT-75% Surfactant is a designated chemical. Please provide a revised Emergency Response Plan for the use of a designated chemical within the milling process pursuant to Rule 8.

Appendix D - Geochemical Waste Characterization Program Results

27. The Division reviewed the Geochemical Waste Characterization Program Results report by Knight Piesold dated January 14, 2021. Please review and respond to the memo by Mr. Patrick Lennberg dated April 8, 2021. A copy of the memo is attached.

Please be advised the Gladstone site application may be deemed inadequate, and the application may be denied on May 26, 2021, 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 May 26, 2021 and a request for additional time. This must be received no later than the deadline date.

If you have any questions, please contact me at peter.hays@state.co.us or (303) 866-3567 Ext. 8124.

Sincerely,



Peter S. Hays
Environmental Protection Specialist

Enclosures - Division of Water Resources comment letter
History Colorado comment letter
Hazardous Waste Management Division MOU
Geochemical Waste Characterization Program Results review memo by Mr. Patrick Lennberg dated April 8, 2021

Ec: Jared Ebert; Division of Reclamation, Mining & Safety
Jeff Carter; Salisbury Gladstone LLC