



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

June 29, 2021

Robert Burger
Sierta LLC
1885 Redcoach Rd.
Allison Park, PA 15101

Re: Notice of Deficiencies, Modification MD-02, Red Cone, File No. P-2014-003

Dear Mr. Burger,

On May 28, 2021, the Division of Reclamation, Mining and Safety (Division or DRMS) received the Sierta LLC Notice of Intent to Conduct Prospecting Operations (NOI) Modification (MD-02) application for the prospecting operation known as Red Cone, File No. P-2014-003. The Division's review indicates the application contains deficiencies which need to be addressed before the Division can approve MD-02. Please title your response to this notice with "Response to Deficiencies, MD-02, P-2014-003". You can respond to each item by the respective number below.

Section I. General Information

1. Question 5 identifies the drilling operation is located in T6S R75W Section 18 NE and SE Qtr. SW Qtr./Qtr. It appears this location description is not correct as all three drill pads are located in Section 19. Please verify the legal description of the project and provide a revised location description.
2. For Question 7B, the Prospector included a Claim Map and a list of Sierta Mineral Claims. As required by Rule 5.1.2(d)(vi), please provide documentation demonstrating Sierta, LLC has the legal right to enter to conduct prospecting and reclamation where surface disturbance will occur. It appears the prospecting operation occurs on mineral claims titled RC-36, RC-37, and RC-38, however, the Division could not accurately determine where each drill pad is located on the submitted claim map. In addition to providing documentation in accordance with Rule 5.1.2(d)(iv) regarding the mineral claims, please also revise the claim map to depict the location of the MD-02 drill pads.
3. As the prospecting operation occurs on Forest Service lands, the Division considers an approved Plan of Operations or NOI from the Forest Service as the Prospector's surface legal right to enter; please provide documentation showing the Forest Service has approved the activities detailed in MD-02.

Section II. Maps & Drawings

4. The *Proposed Drill Pad Locations, Redcone Prospect* map provides the location and coordinates of the three MD-02 drill pads. The coordinates listed for Drill Pad 7 and Drill Pad 8 are inaccurate as the coordinates are for an area approximately one mile north of the actual drilling project area. The coordinates appear to be in a format of degrees with decimal minutes, which could be the cause for the inaccuracy. Please submit a revised map with corrected latitude/longitude coordinates in either Degrees Minutes Seconds or Decimal Degrees.
5. The access to Drill Pad 7 appears to cross Handcart Gulch, however, the *Footprint of Drill Pad 7 and Access Road* map does not show the crossing. Please revise this map to show the entire access route. In



accordance with Rule 3.1.6, please provide additional details on how the Prospector will minimize the impact to the hydrologic balance regarding the quality of surface water systems with this crossing.

6. The *Footprint of Drill Pad 8* map contains a legend which states Drill Pad 6. Please correct this error and resubmit the map.

Section III. Project Description

7. Question 2 provides an estimated dates of commencement of 8/1/2021 and completion of 10/31/2021. Based on a recent email correspondence the Division was copied on from the Prospector to the Forest Service, it appears to project may be delayed until 2022. Please provide an updated estimated dates of commencement and completion.
8. Question 5 discusses the use of back to back mud pit sumps measuring 10 x 10 x 8 feet at each drill pad. Question 6C states there will be a total of 3 mud pits for the project. Please clarify if there will be one (3 total) or two (6 total) mud pits at each drill pad and if each mud pit or if both mud pits total 10 x 10 x 8 feet in size.
9. In accordance with Rule 3.1.6(5), please address how the Prospector will construct and operator the drilling pits to minimize the impacts to public health and safety, and the environment (soil, surface water, groundwater, wildlife).
10. Within Question 6, the Prospector states there will be 5 drill holes at 1,000 feet deep. The *Drill Pad Locations with Proposed Boring Trajectories* map states all borings will be advanced a maximum of 1,000 feet and that a maximum of 6,000 feet will be drilled. The three maps provided in the application detailing the footprint of each drill pad lists out a total of 10 drill holes (WP 7-16) for the project. Please clearly identify the number of drill holes proposed within MD-02 and provide the maximum total depth of the all the drill holes. Please also provide the anticipated maximum depth of any single drill hole.
11. Please discuss if water will be used in this operation. Please provide details regarding the pumping, piping, storage, and the anticipated usage of the water. Please also provide the legal source of this water. Note, previously with MD-01, the Prospector provided a lease agreement with Mountain Mutual Reservoir Company and North Fork Associates to lease 1.5 acre-feet of water from Handcart Gulch, however, documentation within the permit file shows this lease expired in 2019.
12. Please provide the anticipated depth to bedrock from each drill pad and provide details regarding if the drill hole will need to be cased through the overburden and provide details regarding the reclamation of the casing. Please note, previously with MD-01, the Prospector stated the drill holes would be cased from the surface through to the base of the overburden (estimated to be 25-50 feet) to isolate the boring from groundwater and that the casing would be pulled during drill hole abandonment and plugging

Section IV. Operations and Reclamation Measures

13. Within Question 6, the Prospector states the first part of the access route to Drill Pad 7 is ferricrete and no construction is necessary. The Prospector then states planking will be placed on the ground surface for 50 feet and is shown between Pad 7 and Handcart Gulch. Please discuss the intent of the planking and clarify if planking will also be used between FSR 121 and Handcart Gulch at the start of access route. Please provide the length of the access route on the ferricrete and the remaining length between the Drill Pad and the planking. Please discuss if this second segment of the Pad 7 access route will be a constructed road that will need to have topsoil salvaged and then replaced during reclamation or if the Forest Service has authorized

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overland travel. For overland travel, please address if the Operator will rip and/or till the portions of the route where seeding will occur to address compaction from equipment.

14. Within Question 7B, the Prospector states the seed mixture will be spread by hand. Please provide details on how the Prospector proposes to incorporate the broadcasted seed into the replaced topsoil (raking, harrowing, chain dragging, etc.).
15. The Prospector has provided details regarding the replacement of topsoil and broadcast seeding of the reclamation seed mixture. Please address if any other re-vegetation tasks (ripping, tilling, mulching, fertilization, weed control etc.) will be implemented following the prospecting activities.

VIII. Signature Requirement

16. The Prospector certified that the local Board of County Commissioners were noticed of the MD-02 application submitted to the Division. Please provide documentation demonstrating the local Board of County Commissioners were noticed

Other

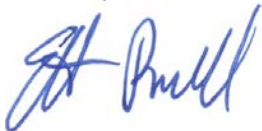
17. The Division understands that there may be discrepancies between the MD-02 application and the Forest Service's NOI or Plan of Operations or there may now be discrepancies following the Division's technical review and your subsequent responses to this Notice of Deficiencies letter. Please commit to informing the Forest Service of any revisions to the prospecting operation once the Division approves your application.

This concludes the Division's review of MD-02. This letter shall not be interpreted to mean that there are no other technical deficiencies in the NOI application as other issues may arise when additional information is supplied.

Please be advised that if these items have not been addressed within 60 days of the date of this letter, due on or before August 30, 2021, the Division may terminate the NOI Modification application.

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 elliott.russell@state.co.us.

Sincerely,



Elliott R. Russell
Environmental Protection Specialist

Cc: Jason Musick with DRMS
Amy Titterington with USFS