

STATE OF
COLORADO

Eschberger - DNR, Amy <amy.eschberger@state.co.us>

GIR Requested Activities

Daniel Takami <danieltakami@gmail.com>

Tue, Dec 21, 2021 at 3:25 PM

To: amy.eschberger@state.co.us, michaela.cunningham@state.co.us, Ed Byrne <edbyrne@smartlanduse.com>, Gabe Racz <gr@vrlaw.com>, John Henderson <jrhcolaw@comcast.net>

Cc: Sergio Rivera <sergio.rivera@novametallix.com>

Amy,

Enclosed you will find an action plan of critical path items to ensure water compliance and safety at our mine site for the very immediate future. In the spirit of increased communication, please know that myself and our technical team are available through the holiday season at any time to discuss. Thank you for your time and consideration of these critical time sensitive issues.

Have a great evening and Happy Holidays to you and your family as well.

Respectfully,

Daniel J. Takami

President, Nederland Mining Consultants Inc.

Manager, Grand Island Resources LLC,

danieltakami@gmail.com

501.256.4444

**Signed DRMS Action Plan.pdf**

949K



Division of Reclamation, Mining & Safety
c/o Ms Amy Eschberger
1001 E 62nd Ave,
Room 215
Denver, CO 80216

December 21, 2021

Ms Eschberger,

Pursuant with ongoing communications and our letter sent to the Division earlier today, Grand Island Resources (GIR) hereby requests approval of the following activities which are aimed to comply with the Cease-and-Desist order issued by the Board on December 15, 2021.

GIR has divided the activities and requests approval on a priority basis, for the following items which are based on critical and immediate term implications, as follows:

1. PRIORITY 1 – Immediate Approval Request

1.1. CROSS MINE

- 1.1.1. Cross Discharge lines installations. The scheduled installation of replacement water discharge lines must continue in the Cross Mine to connect underground drainage system to prevent the mine from flooding. Should flooding occur, ground water would report to the surface through the Cross Mine Adit in an uncontrolled fashion directly to the environment.
- 1.1.2. Refuge Chamber Construction. Construction of an MSHA compliant safety refuge toward the back of the Cross tunnel. This is a critical activity and essential for operations associated with water management (pumps, pipelines, utilities) cannot be
- 1.1.3. Utilities Installation for Safety and Operations. (Discharge, Compressed Air, Ventilation, Power and Water supply). Replacement of dated infrastructure (compressed air, water, and electrical lines) which must be installed such that mine dewatering pumps and ventilation systems are operational.
- 1.1.4. Auxiliary Fan installations. The ventilation system is a critical safety requirement for personnel attending and maintaining the pumping systems; these systems must be operational prior to the construction of water management sumps and for any associated activities.



- 1.1.5. Ground support installation. All areas leading to the mine pumping sites must be secured, bolted, and must comply with MSHA guidelines for safe personnel access.
- 1.1.6. Freeze Prevention Program. The groundwater conveyance systems must be insulated to prevent freezing of pipes and equipment and appurtenant facilities such that the water conveyance systems remain operational during the winter months.

1.2. CARIBOU MINE/IDAHO TUNNEL

- 1.2.1. Construction of Sediment Control Structures. Solids removal from groundwater within the mine workings prior to discharge to the sediment control ponds is critical for optimizing the performance of the settling ponds. The construction of a Cofferdam and Check dams in the Idaho tunnel is critical for water quality compliance. These activities include the extension of piping systems into the pumping areas.
- 1.2.2. “75” Sediment Control Sump Rehabilitation. Removal of sediment accumulated in the clarifying sump is a required O&M part of the system; GIR is planning to relocate the existing pump further into the sump to optimize sump storage capacity, an access walkway must be constructed to ensure the safety of maintenance personnel.
- 1.2.3. Freeze Prevention Program. The groundwater conveyance systems must be insulated to prevent freezing of pipes and equipment and appurtenant facilities such that the water conveyance systems remain operational during the winter months.

2. PRIORITY 2 – Approval Requested by December 27th, 2021

2.1. CROSS MINE

- 2.1.1. Cross Shaft and Old Access Road Surface Reclamation. Backfill, compact and recontour the terrain to reduce surface water inflow into the underground working. A detailed reclamation plan and design is currently being prepared for submittal under separate cover to DRMS.
- 2.1.2. Apache/Potosi Sump Development at ‘G’ Station. Construction of a water sedimentation and clarification system at a midpoint within the tunnel. Construction of underground sumps is required such that water flows are collected and controlled. The sumps would serve as sediments settling structures such that heavily sediment laden water is not delivered to the treatment plant.



2.2. CARIBOU MINE/IDAHO TUNNEL

- 2.2.1. Personnel Siding Development along Railway and Equipment Corridors. Safety step-aways from moving equipment.

3. PRIORITY 3 – Approval Requested by January 4th, 2022

3.1. CROSS MINE

- 3.1.1. Required infrastructure for safe construction and operation of water systems controls.
Infrastructure construction required for control of fracture flow discharges reporting to the underground workings. The infrastructure is required to minimize suspended solids reporting to the treatment system and includes pipe installation at ground level where pre-mining construction will occur on the haulageway. This will protect the drainage ditch from collecting and discharging sediment.
- 3.1.2. Winze Hoist and Winze Sump Rehabilitation. Essential activity required for access of lower mine levels for rehabilitation and water management.
- 3.1.3. Sublevel Sediment Sumps Rehabilitation and Development. Rehabilitation of currently flooded workings after groundwater table drawdown and release of groundwater via the water treatment system.

3.2. CARIBOU MINE/IDAHO TUNNEL

- 3.2.1. Sediment Control Pond Upgrades. Minor modifications to reduce the impact of freezing pipes and ice build-up.

4. HYDROGEOLOGIC STUDY

GIR intends to conduct a comprehensive Hydrogeologic Study of the Mining Complex. The Study is considered critical and essential for near future and long-term operations and water quantity and quality management. GIR anticipates that the Study will require access to the mining areas and activities that are not anticipated to result in high level of disturbance. GIR will provide, upon request, the Scope of Work for the Study. Approval of the Study is hereby requested.



GRAND ISLAND RESOURCES

4415 Caribou Rd,
Nederland CO, 80466

GIR looks forward to a timely response from the Division, due to the critical nature of completing each of the Priority 1 listed items. The recent stoppage of work mandated by the cease and desist order has increased time constraints and urgency for these projects. While we understand we are heading into the holiday season, GIR intends work diligently through the upcoming weeks to ensure water compliance and a safe environment for its workers. Additional delays to the Priority 1 List above have a great potential to create a scenario where the Cross winze may flood.

If you have any questions, feel free to reach out. Have a great day and a Happy Holiday Season.

Respectfully,

Daniel J. Takami
President Grand Island Resources LLC
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501.256.4444