



Non-Confidential

June 1, 2022

Aaron Hilshorst
Climax Molybdenum Company
1746 County Road 202
P.O. Box 68
Empire, CO 80438

**Re: Henderson Mine Exploration Drilling – Puzzler Target, File No. P-2022-006,
NOI Notice of Deficiencies**

Mr. Hilshorst,

On May 11, 2022, the Division of Reclamation, Mining and Safety (Division/Office) received the Notice of Intent to Conduct Exploration Operations (NOI) application for the Henderson Mine Exploration Drilling – Puzzler Target, File No. P-2022-006. The Division reviewed the NOI application for deficiencies pursuant to Rules 5.1, 5.2, 5.3, 5.4 and 5.5 of the Minerals Rules and Regulations of the Colorado Mined Land Reclamation Board for Hard Rock, Metal, and Designated Mining Operations.

Please address the following NOI deficiencies:

1. Pursuant to Rule 5.2.1(2), for Notices of Intent to Conduct Prospecting or modifications thereof submitted or approved on or after June 2, 2008, all information in a notice of intent or modification of such notice is a matter of public record including, in the case of a modification, the original notice of intent; except that, information relating to the mineral deposit location, size or nature, and other information designated by the applicant or prospector and determined by the Board as proprietary or trade secrets or that would cause substantial harm to the competitive position of the applicant or prospector shall be protected as confidential and shall not be a matter of public record in the absence of a written release from the applicant or prospector, until a finding by the Board that reclamation is satisfactory, or until the Board releases the information pursuant to the provisions of Rule 1.3.

The Prospector submitted the same information on Form 1 (DRMS Use and Confidential File) and Form 2 (Public File). Please confirm the prospector waives their right to confidentiality and the entire NOI application should be considered as non-confidential by the Division.

2. On Page 3 of the NOI form, the Prospector indicates the location of the site as Latitude N 39° 46' 27.80923", Longitude E 254° 10' 32.23333". Please review the longitude information and revise the NOI application accordingly.



3. On Page 3 of the NOI form, the Prospector indicates the land ownership as private. Pursuant to Rule 5.1.2(d)(iv), please provide documentation of the legal right to enter to conduct prospecting and reclamation, for Owners of Record described in Rule 1.6.2(1)(e)(i). This may include a copy of a lease, deed, abstract of title, a current tax receipt, or a signed statement by the Landowner(s) and acknowledged by a Notary Public stating that the Prospector has legal right to enter to conduct prospecting and reclamation.
4. In Section III, Item 6G – New Roads, the Prospector indicates a length of 850 feet for the new road. In Section III, Item 5, the Prospector states the access road will be approximately 1,700 feet long. Please review the length of the new access road and revise the NOI application accordingly.
5. In Section III, Item 6I, the Prospector states drilling will be accomplished by using a truck mounted drilling rig. Pursuant to Rule 5.1.2(f), please provide a description of the type of drill rig to be used in the proposed drilling operation.
6. Pursuant to Rule 5.3.3(1), upon filing the Notice of Intent to Conduct Exploration, the person shall provide Financial Warranty in the amount of two thousand dollars (\$2,000.00) per acre of land to be disturbed, or such other amount as determined by the Office, based on the projected cost of reclamation. The Prospector provided the required financial warranty in the amount of \$2,000 with the NOI form for the purpose of filing.

The Division calculated the cost for an independent contractor to reclaim the prospecting disturbance based on the information provided by the Prospector in the amount of \$17,000. A copy of the estimate is attached for review.

The Prospector must address all identified deficiencies within sixty (60) days of the Office notification. If the deficiencies are not addressed within sixty (60) days, the Office may terminate the NOI file.

Please address the NOI application deficiencies indicated in this letter by **July 31, 2022**.

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

Enclosure – Bond Estimate

Ec: Jared Ebert; DRMS