

November 8, 2023

Joseph Harrington MineWater LLC 9233 Park Meadows Drive, Suite 108 Lone Tree, CO 80124

Re: Adequacy Review #2, 110d Hard Rock Amendment Application, London Mine, File No. M-2023-015

Dear Mr. Harrington,

The Division of Reclamation, Mining, and Safety (Division) has reviewed the content of MineWater LLC's (Applicant) Adequacy Review Reponses submitted on October 30, 2023 for the amendment to the 110d Permit Application for the London Mine (File No. M-2023-015), and submits the following additional comments. The Division is required to make a decision on the application no later than November 10, 2023, therefore, a response to the following adequacy review concerns should be submitted to the Division as soon as possible. If more time is needed to respond to this Adequacy Review, the Division can grant an extension of the decision date deadline following a request by the Applicant. Please respond to this Adequacy Review #2 with the requested information by summarizing each response to the numbered items below, in a cover letter titled "Adequacy Review Response #2; M-2023-015" and providing replacement exhibits, as necessary. The Division has kept the same numbering sequence as the first adequacy review letter and has identified follow-up adequacy items in bold.

Adequacy Review Responses for Items 1-7 are adequate as submitted at this time.

EXHIBIT D – Reclamation Plan (Rule 6.3.4):

8. The Applicant has committed to sampling the mineralized fines which will be generated from the screening and crushing operations and will then develop an appropriate handling/disposal plan to be submitted as a revision to the permit. The Applicant has committed to a 10,000 CY maximum amount of fines to be stockpiled on-site before obtaining approval of the handling/disposal plan revision. The Division's reclamation cost estimate will need to account for the off-site disposal of these stockpiled mineralized fines until the handling and disposal revision is approved. In accordance with Rule 6.3.4(2), please provide a thorough cost estimate for the off-site disposal of 10,000 CY of mineralized fines.

The adequacy review item above was modified by the Applicant to specify "crusher fines" instead of "mineralized fines" and "fines". Please review the response submitted and make necessary changes to address the Division's original adequacy review item and language.

The Applicant states their trucking contractor and the Penrose Landfill provided quotes for the offsite disposal of the mineralized fines totaling \$72/yard. Please provide these quotes.

EXHIBIT E – Map (Rule 6.3.5)

- **9.** The Exhibit E Maps will need to be revised and resubmitted for review based on the following issues:
 - **a.** Maps are not signed as required by Rule 6.2.1(2)(b). *Adequate as submitted at this time.*



b. The scale on the three maps all are listed at 1":10' which appears to be a typo because based on the original size of the maps provided and the scale bar, 1 inch appears to represent 100 feet.

The resubmitted Exhibit E-1 and Exhibit E-3 Maps still contain the 1":10' typo. Please correct this and resubmit Exhibit E-1 and Exhibit E-3 Maps.

c. None of the maps contain the surface/subsurface ownership information, surface ownership within 200 feet of the permit boundary, and structure owner as required by Rule 6.3.5(2)(b).

The Exhibit E-1 Map does not contain information regarding the surface ownership and location of the American Mine Parcel as referenced in the response to Adequacy Review Item #2. Please resubmit the Exhibit E-1 Map with the information.

- **d.** The storm water collection berm located in the southeast processing area extends beyond the permit boundary. Additionally the labels in this area appear to be incorrect as the permit boundary is identified as the berm and the berm is unlabeled.

 Adequate as submitted at this time.
- e. The legend identifies storm water berms as a solid blue line, however it appears the berms are shown as a solid orange line.

 Adequate as submitted at this time.

Adequacy Review Responses for Items 10 is adequate as submitted at this time.

EXHIBIT I – Proof of Filing with County Clerk (Rule 6.3.9):

11. Any changes or additions to the application on file with the Division, must also be reflected in the public review copy. Please submit proof that the public review copy has been updated with a copy of the response to this adequacy letter.

Adequate as submitted, however, the responses to this Adequacy Review #2 will now need to be added to the public record copy as well.

EXHIBIT L – Permanent Man-made Structures (Rule 6.3.12):

12. Within Exhibit L, the Applicant has identified Xcel Energy as the owner of several overhead electric lines within 200 feet of the affected lands boundary and has provided a 2017 Construction Agreement and a partial 2023 Structure Agreement. The Division was not able to locate the necessary information within the 2017 Construction Agreement to meet the requirements of Rule 6.3.12. Additionally, the 2023 Structure Agreement was only signed by the Applicant. Please either demonstrate where Rule 6.3.12 is addressed within the 2017 Construction Agreement or provide the rest of the 2023 Structure Agreement.

The Applicant has provided a Structure Agreement between the Applicant and Xcel Energy however, the last paragraph on Page 1 of the agreement regarding a MLRB approved form will need to be removed in order to be accepted by the Division.

13. Please provide documentation which complies with Rule 6.3.12 for County Road 696.

The Applicant has provided a blank agreement between the Applicant and Park County to address Adequacy Review Items #10 and #13. Please provide the executed agreement.

EXHIBIT U – Designated Mining Operation Environmental Protection Plan (Rule 6.4.21):

14. The Applicant has committed to sampling the <u>mineralized fines</u> for Acid Base Accounting (ABA) and Synthetic Precipitation Leachate Procedure (SPLP). The Applicant has also committed to submitting the results to the Division through a revision to the permit to direct how the fines will be handled and disposed. In addition to the proposed tests above, the Applicant will need to include sampling for TAL metals. Listed below is a list of analytes and the EPA's 2023 Reginal Screening Levels for industrial soil for the results to be compared to:

Industrial Soil (mg/kg)			
Aluminum	1,100,000	Magnesium	
Antimony	470	Manganese	26,000
Arsenic	10^{+1}	Mercury	46
Barium	220,000	Nickel	11,000
Beryllium	2300	Potassium	
Cadmium	100	Selenium	5800
Calcium		Silver	5800
Chromium	(Cr VI) 6.3	Sodium	
Cobalt	350	Thallium	
Copper		Vanadium	5800
Iron	820,000	Zinc	350,000
Lead	400+2	Cyanide	1500

⁺¹: CDPHE has identified 10mg/kg for arsenic as background levels for mining

The adequacy review item above was modified by the Applicant to specify "crusher fines" instead of "mineralized fines". Please review the response submitted and make necessary changes to address the Division's original adequacy review item and language.

15. Please submit a complete and concise sampling plan for the mineralized fines for the Division to review and approve which addresses the standard steps of Data Quality Objective Process.

The Mineralized Fines Sampling Plan submitted only involves the sampling of crusher fines instead of all mineralized fines the operation will generate. Please review the response submitted and make necessary changes to address the Division's original adequacy review item.

Adequacy Review Responses for Items 16-18 are adequate as submitted at this time.

19. Within Exhibit U, Section (7), the Applicant states no stockpiles of mineralized materials will be left on operations pad for a significant length of time. Please define "significant amount of time" by specifying the maximum amount of time stockpiles of mineralized material may remain on site.

The response to Adequacy Review Item #19 only includes information for crusher fines instead of all mineralized materials that the operation will generate, including screened fines, mineralized dust, and sorted ore. Please review the response submitted and make necessary changes to address the Division's original adequacy review item.

Adequacy Review Responses for Items 20-23 are adequate as submitted at this time.

⁺²: 400 mg/kg for lead was obtained from the EPA's Generic SSL ingestion/inhalation

MineWater LLC – Amendment Adequacy Review #2 – M-2023-015 November 8, 2023 Page 4 of 4

The Division has calculated the total required financial warranty for the site to be \$203,500.00. A copy of the reclamation cost estimate is attached for the Applicant's review. At this time, upon approval of the application, the required financial warranty for the proposed operation will be set at \$203,500.00; please contact me prior to the decision date to discuss any questions regarding the cost estimate or if you identify any errors with this calculation. Please note, this draft reclamation cost estimate may change depending on the responses to this letter.

This concludes the Division's adequacy review of this application. This letter shall not be interpreted to mean that there are no other technical deficiencies in your application; other issues may arise as additional information is supplied. Please be advised the permit application may be deemed inadequate, and the application may be denied on November 10, 2023, 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 another extension to the decision deadline. A request for additional review time must be received no later than the deadline date.

If you have any questions, please contact me at 303-866-3567 ext. 8132 or elliott.russell@state.co.us.

Sincerely,

Elliott R. Russell

Environmental Protection Specialist

Attachment: Draft Reclamation Cost Estimate M2023015

Cc: Michael Cunningham, Division of Reclamation, Mining & Safety

Bob Oswald, High County Consulting Services LLC Ben Langenfeld, Greg Lewicki and Associates