



Lennberg - DNR, Patrick &lt;patrick.lennberg@state.co.us&gt;

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## Grand Island Resources TR-10 Second Quarter 2023 Report

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**smuller@nedmining.com** <smuller@nedmining.com>

Mon, Nov 27, 2023 at 9:19 AM

To: "Lennberg - DNR, Patrick" <patrick.lennberg@state.co.us>, Daniel Takami <danieltakami@gmail.com>

Cc: Je'an-Paul Brewer <jpbrewer@nedmining.com>, rmittasch <rmittasch@nedmining.com>

Good Day Patrick,

I hope that you had a nice holiday. Attached is our formal request for the release of bond money for P-2021-013 NOI that you inspected on your last visit. Please forward to your accounting group as appropriate.

Also let me know if there is anything else that is required.

Best regards,

Sean

**Sean C. Muller, PGeo**

Geology Manager

Grand Island Resources

Caribou-Cross Mines

Nederland, Colorado

(720) 502-0850 (Office Direct)

(208) 582-3218 (Cell/Text)

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**Request for Bond Release of Cross Extension East and West-SCM27Nov23.pdf**  
2382K



REQUEST FOR BOND RELEASE FOR GRAND ISLAND RESOURCES (GIR) DRILLING  
EXPLORATION PERMIT P-2021-013 NOI

Permit P-2021-013, sanctioned on July 13, 2021, encompasses two designated drilling sites titled Cross Extension West and Cross Extension East, as delineated in Figures 1 and 2. This permit was granted following a meticulous site evaluation by the Division of Reclamation, Mining and Safety (DRMS), documented in Attachment A.

Cross Extension West is situated in a previously modified area, opposite a cabin and the notable Comstock headframe structure. This site's reclamation requirements were limited to standard hole abandonment protocols as outlined in the permit. Post-drilling, the site underwent a rigorous inspection by DRMS in 2022, ensuring compliance with the specified abandonment procedures. During this inspection, DRMS authorized the modification of the surveyed drill hole projections to ground level, facilitating the installation of Conex units for core sample storage. A subsequent DRMS inspection in 2023 confirmed the site's compliance, as detailed in their report (Attachment B).

Conversely, the Cross Extension East site, positioned south of Caribou Road and opposite the Potosi stone structure, presents a different scenario. This location, notable for its proximity to a significant wetland area, has been the subject of extensive reclamation planning. DRMS conducted several inspections of this site: prior to permit approval, during the permit's active period, and more recently as noted in Attachment B. Notably, this site has not been utilized for drilling activities and there are no current plans to initiate drilling at this location.

In Summary, the request is for the bond release in the amount of \$25,179 as detailed below:

**Operation:** GIR Surface Exploration Program - Cross Extension East and Cross Extension West

**Prospector:** Sean Muller, Geology Manager for Grand Island Resources

**File Number for NOI:** P-2021-013

**Mailing Address:** Grand Island Resources, PO Box 3395, Nederland, CO 80466

**Email Address of Contact Person:** [smuller@nedmining.com](mailto:smuller@nedmining.com)

**Phone Number of Contact Person:** (720) 502-0850

All drillholes at the Cross Extension West were abandoned in accordance to the Permit and no drillholes were drilled or planned to be drilled at Cross the Extension East site where no disturbance occurred. I certify that the requirements of permit P-2021-013 have been met and examined by DRMS.

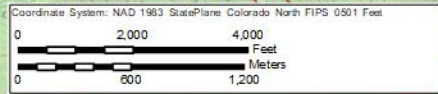
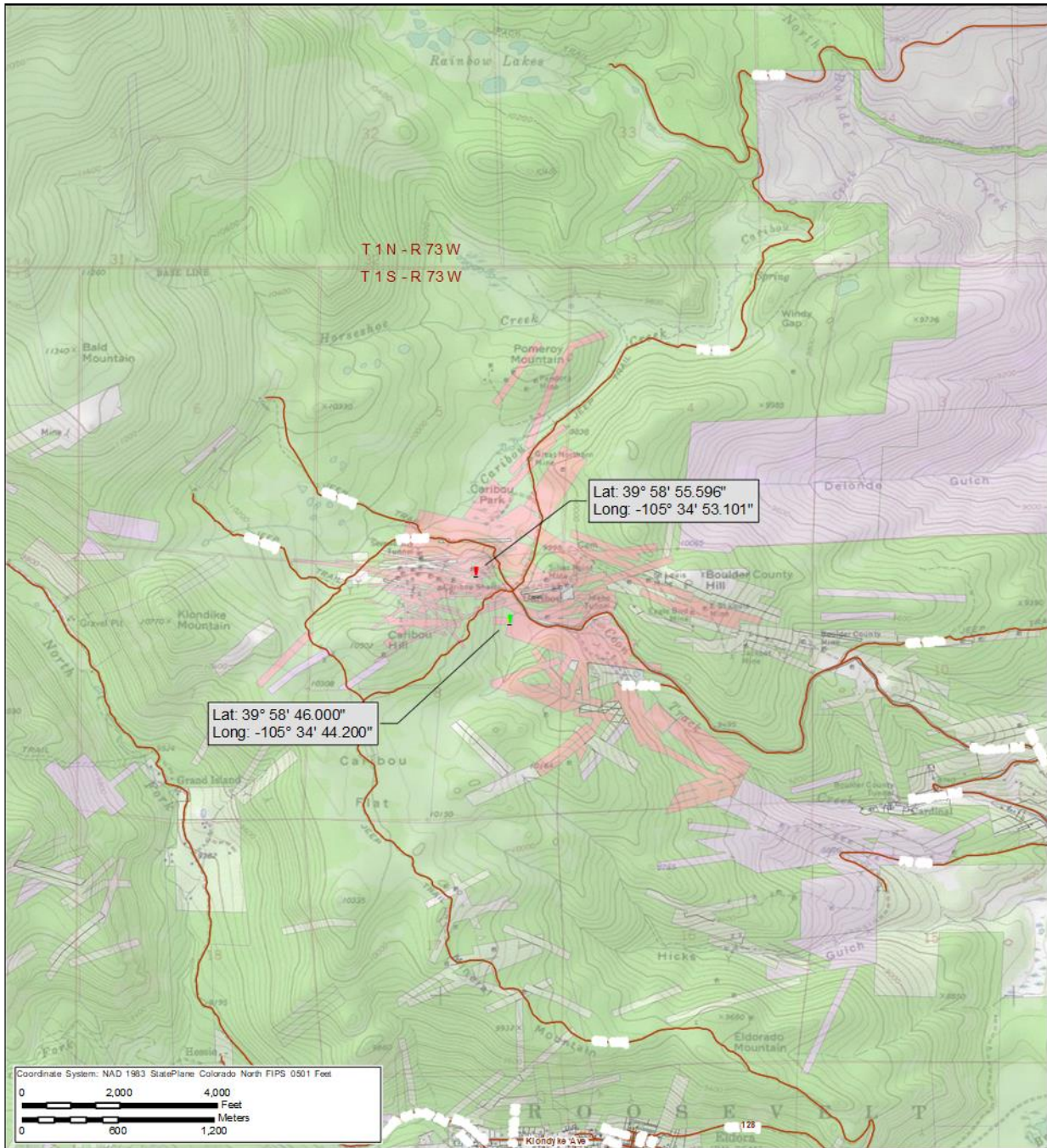
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Sean C Muller, PGeo  
GIR Geology Manager


11/20/23

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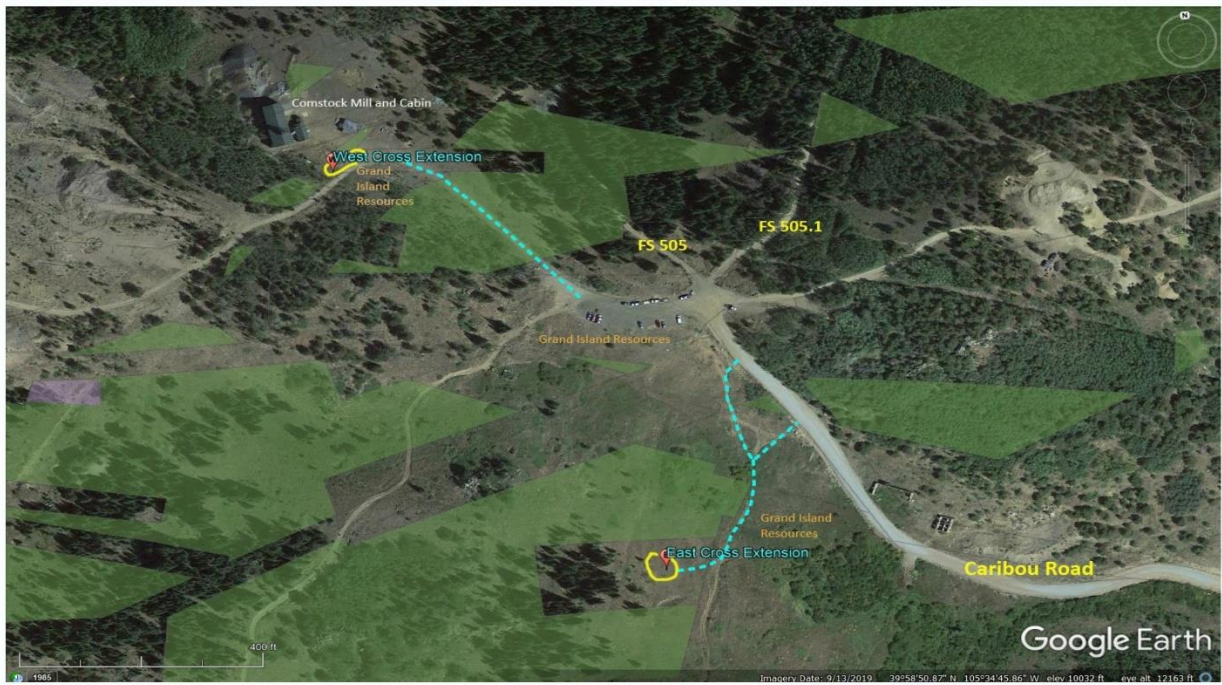
Date



- Legend**
- ! Cross Extension East
  - ! Cross Extension West
- Surface Ownership**
- Grand Island Resources Patented In Fee (Private)
  - County
  - Other Private
  - USFS

Project	DRMS Prospecting Permit Application		
Title	<p align="center"><b>Cross Extension Exploration Drilling Sites</b></p>		
 <b>GRAND ISLAND RESOURCES</b>	Project No.	0801	File No.
	GIS:	JST 06/01/21	Scale As Shown
	Check:	JST 06/01/21	Rev 0
Review:	DP 06/01/21	<b>Figure 1</b>	





Each Pad Area =  
will not exceed 0.15  
acres or 6400 sq. feet.

Note : West Cross  
Extension Location is  
in the Driveway to the  
Comstock Cabin  
Approximate  
Pad Area  
Existing Road




Project	Cross Extension Surface Drilling			
Title	Drill Pad Locations for the Cross Extension Drilling on Private GIR Ownership			
 <b>GRAND ISLAND</b> RESOURCES	Project No. 0801		File No.	
	GIS:	JST	04/22/21	Scale As Shown
	Check:	JST	04/22/21	Rev 0

Figure 2



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

July 13, 2021

Sean C. Muller  
Grand Island Resources LLC  
4803 Caribou Road  
P.O. Box 3395  
Nederland, CO 80466

RE: GIR Surface Exploration Drilling, File No. P-2021-013, Approval to Commence Prospecting Operations

Dear Mr. Muller:

The Division of Reclamation, Mining and Safety (Division) has completed its review of your Notice of Intent to Conduct Prospecting Operations (NOI) submitted for the GIR Surface Exploration Drilling project, File No. P-2021-013. The Division has also reviewed and approved the financial warranty submitted for the NOI in the amount of \$25,179.00. Therefore, final approval of your NOI is hereby granted and you may commence prospecting operations at this time.

In accordance with Rule 5.6, an Annual Report and associated fee of \$86.00 must be submitted on your notice approval anniversary date for each year following the filing of an NOI until reclamation responsibility release is granted by the Division. In addition, Rule 5.3.4 requires the prospector to notify the Division upon completion of the prospecting operations. Such notice shall be sent by certified mail separate from all other correspondences. Rule 5.7 requires the prospector to submit to the Division a final report no later than 60 days after the completion of the abandonment of any drill hole which has artesian flow at the surface, or no later than one year after the completion of the abandonment of any other drill holes.

Please note, the acceptance of this NOI shall not be construed to abrogate the duty of the prospector to comply with other applicable laws or regulations, including but not limited to all federal, state, or local permits, licenses, and approvals, as well as any access agreements, as applicable to the specific operation.

If you have any questions, you may contact me by telephone at 303-866-3567, ext. 8129 (office), 303-945-9014 (mobile), or by email at [amy.eschberger@state.co.us](mailto:amy.eschberger@state.co.us).

Sincerely,

Amy Eschberger  
Environmental Protection Specialist

Cc: Daniel Pollock, Grand Island Resources LLC  
Michael Cunningham, DRMS




## ATTACHMENT B



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

**MINERALS PROGRAM INSPECTION**  
**REPORT PHONE: (303) 866-3567**

**The Division of Reclamation, Mining and Safety has conducted an inspection of the mining operation noted below. This report documents observations concerning compliance with the terms of the permit and applicable rules and regulations of the Mined Land Reclamation Board.**

<b>MINE NAME:</b> GIR Surface Exploration Drilling	<b>MINE/PROSPECTING ID#:</b> P-2021-013	<b>MINERAL:</b> Gold and silver	<b>COUNTY:</b> Boulder
<b>INSPECTION TYPE:</b> Monitoring	<b>WEATHER:</b> Clear	<b>INSP. DATE:</b> September 28, 2023	<b>INSP. TIME:</b> 09:00
<b>OPERATOR:</b> Grand Island Resources LLC	<b>OPERATOR REPRESENTATIVE:</b> Richard Mittasch	<b>TYPE OF OPERATION:</b> MP - Mineral Prospecting	
<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> Partial Bond	<b>BOND AMOUNT:</b> \$25,179.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None	
<b>INSPECTOR(S):</b> Patrick Lennberg	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> October 13, 2023	

**GENERAL INSPECTION TOPICS**

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. No problems or possible violations were noted during the inspection. The mine operation was found to be in full compliance with Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials and/or for Hard Rock, Metal and Designated Mining Operations. Any person engaged in any mining operation shall notify the office of any failure or imminent failure, as soon as reasonably practicable after such person has knowledge of such condition or of any impoundment, embankment, or slope that poses a reasonable potential for danger to any persons or property or to the environment; or any environmental protection facility designed to contain or control chemicals or waste which are acid or toxic-forming, as identified in the permit.

(AR) RECORDS----- <u>N</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>N</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>N</u>	

Y = Inspected / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

## **OBSERVATIONS**

The Grand Island Resources LLC (GIR) Surface Exploration Drilling, Cross Western and Eastern Extensions, was inspected by Patrick Lennberg with the Division of Reclamation, Mining, and Safety (Division/DRMS). The inspection was completed as part of the Division's routine monitoring inspection program. The site was previously inspected by the Division on June 3, 2022. Richard Mittasch representing the Prospector, GIR, was present during the inspection. The weather was clear

The site is located approximately 0.6 miles northwest of the Cross Gold Mine in Boulder County and 4.5 miles east of the town of Nederland. The Western Extension is located in the parking area of the Comstock Mill and Cabin. The Eastern Extension is located in a grassy valley south of Caribou Road.

During the 2022 inspection the Prospector inquired whether the drill pad for the Western Extension, where six boreholes were advanced, could be reclaimed as a storage and equipment laydown area. The Division informed the Prospector through that inspection report the 80 feet x 80 feet could be reclaimed in that manner. Additionally, during the 2022 inspection the Prospector provided completed borehole abandonment forms for the boreholes drilled. At the time of this inspection the area had been graded flat with gravel apron and a CONEX storage container was on the pad. The container will be used to house core samples from the Comstock Mill building that will be rehabilitated in time.

The Eastern Extension has had no activity occur on it.

At the conclusion of the inspection the Prospector informed the Division they would like to release the NOI and inquired about the steps needed to complete the release. If the Prospector, within 30 days from the signature date on this inspection report, submits a Reclamation Report and request reclamation responsibility release, meeting the requirements of Rule 4.16.1(2), the Division will not have to perform another inspection of the site and would approve the release of the NOI.

Pursuant to Rule 4.16.1(2) a Reclamation Report shall contain, at a minimum:

- (a) the name of the operation, the name of the Prospector, file number of the Prospecting Notice of Intent and the name, mailing address, e-mail address and phone number of the contact person;
- (b) a signed statement by the Prospector that all reclamation requirements of the prospecting notice have been satisfied;
- (c) a narrative describing site grading, topsoil replacement, successful revegetation and other stabilization activities, as appropriate;
- (d) suitable photographs of the reclaimed area; and
- (e) a map of sufficient detail to determine the location of the prospecting activity.

The Division evaluated the financial warranty and determined the current bond amount held by the Division is adequate at this time.

Photographs taken during the inspection are attached.

Please contact Patrick Lennberg (303)866-3567 ext. 8114 or email at [patrick.lennberg@state.co.us](mailto:patrick.lennberg@state.co.us) if you have any questions regarding this report.

### **Inspection Contact Address**

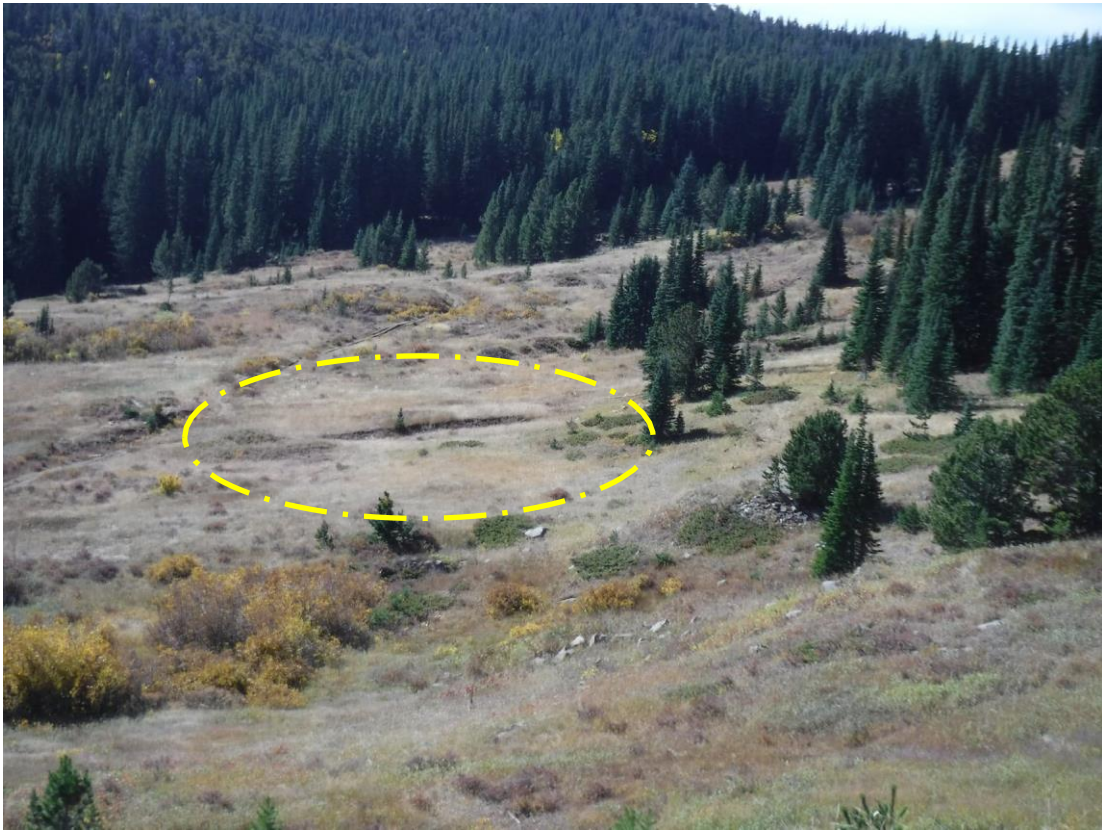
Richard Mittasch  
Grand  
Island  
Resources  
LLC 4803  
Caribou  
Road  
Nederland, CO 80466

cc: Jared Ebert, DRMS

ec: Richard Mittasch, Grand Island Resources,  
[rmittasch@nedmining.com](mailto:rmittasch@nedmining.com) Sean Muller, Grand  
Island Resources, [smuller@nedmining.com](mailto:smuller@nedmining.com)  
Je'an Paul Brewer, Grand Island Resources, [jpbrewer@nedmining.com](mailto:jpbrewer@nedmining.com)



## PHOTOGRAPHS



**Photo 1:** Looking south from Caribou Road to where the Eastern Extension would be located (yellow outline)



**Photo 2:** Looking south from Caribou Road to where the Eastern Extension would be located, no support roads





**Photo 3:** Looking at the Western Extension reclaimed drill pad area, survey marker post in foreground



**Photo 4:** Looking at the Western Extension reclaimed drill pad area, survey marker post in foreground





**Photo 5:** Looking at the Western Extension reclaimed drill pad area