

STATE OF
COLORADO

Girardi - DNR, Chris <chris.girardi@state.co.us>

Cat Creek Drilling Project, NOI File P2024009- Adequacy Review and Cost Estimate

Sandor AOL Account <ringhoffer@aol.com>

Thu, Oct 3, 2024 at 2:53 PM

To: "Girardi - DNR, Chris" <chris.girardi@state.co.us>

Cc: tchristensen@solitariocorp.com, andrea.jones@usda.gov, Jared Ebert - DNR <jared.ebert@state.co.us>, Sara Stevenson-Benn - DNR <sara.stevenson-benn@state.co.us>, Peter Christensen <Peter.Christensen@respec.com>

Hello Chris,

Please see attached files addressing the adequacy items noted in your NOI review letter.

Also, if there are any additional forms that are required to complete posting of the financial assurance once the final amount is determined, could you or Sara please forward them to me?

Thanks and feel free to email or call with any questions.

Regards,

Sandor Ringhoffer CPG, SME RM

Project Manager, Cat Creek Project.

From: Girardi - DNR, Chris <chris.girardi@state.co.us>

Sent: Monday, September 30, 2024 10:41 AM

To: Sandor AOL Account <ringhoffer@aol.com>

Cc: tchristensen@solitariocorp.com; andrea.jones@usda.gov; Jared Ebert - DNR <jared.ebert@state.co.us>; Sara Stevenson-Benn - DNR <sara.stevenson-benn@state.co.us>

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2 attachments



Public Filing from Notice of Intent to Conduct Prospecting 20240830_Solitario_Signed_Revised.pdf
3204K



241003 Cat Creek NOI Adequacy Letter and Cost Estimate_Solitario_Addressed.pdf
230K



October 03, 2024

Colorado Division of Reclamation and Mining
Attn: Chris Girardi

RE: Cat Creek Drilling Project, DRMS File No. P-2024-009, Notice of Intent to Conduct Mineral Prospecting, Adequacy Review Letter – Adequacy Items 1-8 Addressed

General Information:

1. Please indicate the locations of the CC-01 and CC-02 drill pads showing latitude and longitude or Universal Transverse Mercator (UTM) coordinates. Please specify coordinates of latitude and longitude in degrees, minutes, and seconds or in decimal degrees to an accuracy of at least five (5) decimal places. For UTM, the Applicant will need to specify North American Datum (NAD) 1927, NAD 1983, or WG 84, and the applicable zone, measured in meters.

Drill Pad	Latitude	Longitude	UTM	UTM	Elev (ft)	Elev (m)
			Zone 13 (WGS-84) Easting	Zone-13 (WGS-84) Northing		
CC-1	37.39946	106.31853	383296.2	4140003	9415.7	2869.91
CC-2	37.39964	106.31597	383523.1	4140020	9365.17	2854.51

Project Description:

2. Item K- The Applicant states that no water bodies will be disturbed. Is the applicant aware of any aquifer they may encounter while drilling? If so, please identify them. If an unknown water-bearing zone is encountered during drilling operations, please clarify how possible cross contamination of these zones will be prevented.
 - *A review of the 1:250000 scale Durango Quadrangle Geologic indicates surface geology consists of various intrusive and extrusive igneous rocks. No sedimentary rocks are mapped. The type of igneous rocks at the project site do not generally form “aquifers” and water encountered would be confined to fractures, joints and faults. The depth to any fracture controlled water in these units under the drill pads is likely greater than 500’ below the surface based on the site topography.*
 - *In the unlikely event a significant, water filled fracture, joint, or fault is encountered, a mechanical plug can be placed above and below the zone during borehole grouting which would effectively isolate the zone from hydraulic communication from above and below the zone.*
3. Item K- The Applicant states that approximately 5,000 gallons of water will be used daily for drilling operations from permitted private or public sources. Please clarify the source of the water that will be used for drilling operations and how this will be done in compliance with applicable Colorado water laws and regulation governing injury to existing water rights per Rule 3.1.6(1)(a).
 - *It is anticipated that water for drilling will be sourced/purchased from the City of Mont Vista or other local municipal or private, permitted sources.*

4. Item 5- The Applicant states that two drill sites will have one borehole drilled on each and up to three additional boreholes if warranted. Based on this description, up to four boreholes will be drilled on each drill site for a total of eight (8) boreholes. Please clarify if this is the maximum number of boreholes that will be drilled.
 - *Eight is the maximum number of boreholes that can be drilled under the current USFS PoO. Based on initial results, additional holes may be permitted at sometime in the future.*
5. Item 5- The Applicant states that the drill sites will be collared within the footprint of Road 237. Please clarify how there will not be significant disturbance to Road 237.
 - *Placement and operation of the drill inherently does not create any significant ground disturbance as both drill pad CC-1 and CC-2 are located on generally level ground. No mechanized modifications to the road on either permitted drill pad will be made. Surface casing will be pulled after plugging of the boreholes and the area will be raked allowing vehicle traffic as normal.*
6. Item F- The Applicant states that diesel fuel will be stored in a steel tank mounted on the drill rig. Please clarify what containment measures will be used for spill prevention.
 - *The fuel tank is integral to the drill rig, just as a gasoline tank is integral to any passenger vehicle. Spill response equipment and materials will be onsite and the same procedures will be used as if a vehicle tank should spring a leak. The leak will be plugged and any fluid released will be cleaned up, characterized and disposed per applicable State laws and regulations.*

IV. Operation and Reclamation Measures:

7. Item 3- Please clarify the method of seeding and method of mulching to be used.
 - *No mulching is anticipated.*
 - *Seeding will be performed by a manually operated seed broadcaster.*
8. Item 7- There is a typo, 'Sadar Streambank' should read 'Sodar Streambank Wheatgrass'. Please revise.
 - *Revision has been made, see attached, updated NOI.*

Financial Warranty

9. Enclosed is the reclamation cost estimate for the proposed operation. Please review the estimate. If you concur with the estimate, please provide the financial warranty with all the applicable forms.
 - *We have reviewed the reclamation cost estimate and note that it envisions plugging and reclamation of all eight of the USFS permitted boreholes to the maximum projected depths of 2800'. At this time, Solitario will only be drilling a maximum of four of the eight permitted boreholes. We also note, that no more than one borehole will be "open" at any point in time while drilling as boreholes will be plugged immediately upon reaching targeted depths while the drill rig is set up on the borehole. As the vast majority of reclamation costs are tied to borehole depth (length), drill operating time, and materials needed to plug an open borehole, Solitario would ask that DRMS re-estimate the reclamation costs based on a maximum of four boreholes as this is the number of holes that are planned to be drilled. If results warrant, and additional holes are needed (up to the maximum of eight permitted in the USFS PoO), Solitario proposes that DRMS request additional reclamation bonding be posted but only if any of the first phase boreholes are not plugged.*

Pursuant to Rule 5.1.3(c) of the Hard Rock/Metal Mining Rules and Regulations, all adequacy items must be addressed within 60 days of this letter (by **November 29, 2024**). If this date arrives and the adequacy concerns have not been addressed and/or the additional financial warranty has not been submitted and accepted by the Division, the NOI will be denied. Please note that prospecting operations may not begin until authorized by the Division and until the Plan of Operations has been approved by the United States Forest Service.

Sincerely,

Sandor Ringhoffer CPG, SME RM
Project Manager, Cat Creek Project.

COST SUMMARY WORK

Task description: Sealing of Boreholes and Reclaiming area

Site: Cat Creek Prospecting
Operations

Permit Action: New NOI Application

Permit/Job#: P2024009

PROJECT IDENTIFICATION

Task #: 000
Date: 9/26/2024
User: CMG

State: Colorado
County: Conejos

Abbreviation: None
Filename: P009-000

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Sealing of Boreholes	BOREHOLE	1	234.00	\$201,190
002	Revegetation	REVEGE	1	8.00	\$186
003	Mobilization	MOBILIZE	1	3.40	\$1,296
<u>SUBTOTALS:</u>				245.4	\$202,672

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	<u>\$4,094</u>
Performance bond:	1.05	Total =	<u>\$2,128</u>
Job superintendent:	78.22	Total =	<u>\$6,200</u>
Profit:	10.00	Total =	<u>\$20,267</u>

TOTAL O & P = \$32,690

CONTRACT AMOUNT (direct + O & P) = \$235,362

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	<u>\$0</u>	Total =	<u>\$0</u>
Engineering work and/or contract/bid preparation:	<u>2.00</u>	Total =	<u>\$4,707</u>
Reclamation management and/or administration:	<u>5.00</u>		<u>\$11,768</u>

CONTINGENCY: 0.00 Total = \$0

TOTAL INDIRECT COST = \$49,165

TOTAL BOND AMOUNT (direct + indirect) = \$251,837

BOREHOLE SEALING WORK

Task description: Sealing of Boreholes

Site: Cat Creek Prospecting
Operations

Permit Action:

New NOI Application

Permit/Job#: P2024009

PROJECT IDENTIFICATION

Task #: 001
Date: 9/23/2024
User: CMG

State: Colorado
County: Conejos

Abbreviation: None
Filename: P009-001

Agency or organization name: DRMS

UNIT COSTS

Borehole Description	Sealing/Item Method	Diameter	Length	Quantity	Unit	Unit Cost	Total Cost
Seal 8 Boreholes with Bentonite-30%	Bentonite seal - 4 in. (labor, equip, materials)	3.76"	2800	6,720.00	LF	\$9.61	\$64,567.10
Seal 8 Boreholes with Cement-70%	Portland cement grout - 4 in. (labor, equip, materials)	3.76"	2800	15,680.00	LF	\$8.71	\$136,622.98

Job Hours: 234.00

Total Cost: \$201,190.00

REVEGETATION WORKTask description: **Revegetation**Site: **Cat Creek Prospecting**
OperationsPermit Action: New NOI ApplicationPermit/Job#: P2024009**PROJECT IDENTIFICATION**Task #: 002
Date: 9/23/2024
User: CMGState: Colorado
County: ConejosAbbreviation: None
Filename: P009-003Agency or organization name: DRMS**FERTILIZING****Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
			\$	\$
			Total Fertilizer Materials Cost/Acre	\$0.00

Application

Description	Cost /Acre
	\$
Total Fertilizer Application Cost/Acre	\$0.00

TILLING

Description	Cost /Acre
	\$
Total Tilling Cost/Acre	\$0.00

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Mountain Brome - Bromar	3.90	6.27	\$23.47
Slender Wheatgrass - San Luis	4.40	16.06	\$26.56
Streambank Wheatgrass - Sodar	4.60	15.00	\$38.19
Totals Seed Mix	12.90	37.32	\$88.22

Application

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Description	Cost /Acre
Broadcast seeding [DMG]	\$272.56
Total Seed Application Cost/Acre	\$272.56

MULCHING and MISCELLANEOUS**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Hay, delivered {MEANS 31 25 14.16 1200}	3.00	BALE	\$19.71	\$59.13
Tackifier, <10 acres {Materials Only}	0.80	ACRE	\$1,459.26	\$1,167.41
Total Mulch Materials Cost/Acre				\$1,226.54

Application

Description	Cost /Acre
Weed spray, hand, aquatic area, annuals [DMG]	\$151.38
Total Mulch Application Cost/Acre	\$151.38

NURSERY STOCK PLANTING

Common Name	No / Acre	Type and Size	Planting Cost	Fertilizer Pellet Cost	Cost /Acre
					\$
Totals Nursery Stock Cost / Acre					\$0.00

JOB TIME AND COST

No. of Acres: 0.08 Cost /Acre: \$1,738.70
 Estimated Failure Rate: 50% Cost /Acre*: \$1,738.70
 *Selected Replanting Work Items: SEEDING,MULCHING

Initial Job Cost: **\$139.10**
 Reseeding Job Cost: **\$69.55**
 Total Job Cost: **\$209**
 Job Hours: **8.00**

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mobilization**Site: **Cat Creek Prospecting
Operations**

Permit Action:

New NOI ApplicationPermit/Job#: **P2024009****PROJECT IDENTIFICATION**Task #: **003**
Date: **9/23/2024**
User: **CMG**State: **Colorado**
County: **Conejos**Abbreviation: **None**
Filename: **P009-004**Agency or organization name: **DRMS****EQUIPMENT TRANSPORT RIG COST**Shift basis: **1 per day**
Cost Data Source: **CRG Data**Truck Tractor Description: **GENERIC ON-HIGHWAY TRUCK TRACTOR, 6X4, DIESEL POWERED,
400 HP (2ND HALF, 2006)**Truck Trailer Description: **GENERIC FOLDING GOOSENECK, DROP DECK EQUIPMENT
TRAILER (25T, 50T, AND 100T)****Cost Breakdown:**

Available Rig Capacities	0-25 Tons	26-50 Tons	51+ Tons
Ownership Cost/Hour:	\$10.44	\$22.18	\$23.94
Operating Cost/Hour:	\$26.48	\$54.55	\$55.65
Operator Cost/Hour:	\$22.52	\$22.52	\$22.52
Helper Cost/Hour:	\$0.00	\$23.53	\$23.53
Total Unit Cost/Hour:	\$59.44	\$122.78	\$125.64

NON ROADABLE EQUIPMENT:

Machine Description	Weight/ Unit (TONS)	Owner ship Cost/hr/ unit	Haul Rig Cost/hr/unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet	DOT Permit Cost/ fleet
ATLAS COPCO ROC D7-11,4.0 in.	0.25	\$197.26	\$59.44	1	\$256.70	\$59.44	\$250.00
CAT 12M	16.01	\$69.16	\$59.44	1	\$128.60	\$59.44	\$250.00

Subtotals: **\$385.30** **\$118.88** **\$500.00****ROADABLE EQUIPMENT:**

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Light Duty Pickup, 4x4, 3/4 T.	\$13.77	3	\$41.31	\$41.31
Water Tanker, 3,500 Gal.	\$82.19	1	\$82.19	\$82.19

Subtotals: **\$123.50** **\$123.50**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region: MONTE VISTA
 Total one-way travel distance: 27.00 miles
 Average Travel Speed: 45.00 mph

Total Non-Roadable Mob/Demob Cost * \$1,605.02
 ‘* two round trips with haul rig:
 Total Roadable Mob/Demob Cost ** \$148.20
 ** one round trip, no haul rig:

Transportation Cycle Time:

	Non- Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.60	0.60
Return Time (Hours):	0.60	0.60
Loading Time (Hours):	0.00	NA
Unloading Time (Hours):	0.00	NA
Subtotals:	1.20	1.20

JOB TIME AND COST

Total job time: 2.40 Hours

Total job cost: \$1,753



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

Form 2 (Public File) NOTICE OF INTENT TO CONDUCT PROSPECTING OPERATIONS FOR HARD ROCK/METAL MINES

CHECK ONE:

☐

There is an NOI Number Already

Assigned to this Operation (Please reference the file number assigned to this operation)

NOI # P-

-

☒

New NOI

☐

Modification to an Existing NOI (Provide for Modifications to an existing NOI)

NOI# P-

-

GENERAL OPERATION INFORMATION

Type or print clearly, in the space provided, ALL information described below.

I. GENERAL INFORMATION

1. DATE NOI RECEIVED BY THE DIVISION:

(office use only)

2. PROJECT NAME:

Cat Creek Drilling Project

3. PROSPECTOR:

Chris Herald

Name

Chief Executive Officer

Title

Solitario Resources Corp.

Company Name

PERSON MLRB SHOULD CONTACT:

Sandor Ringhoffer

Name

Project Geologist

Title

Solitario Resources Corp.

Company Name



4251 Kipling St. Ste 390

Street

P.O. Box

Wheat Ridge, CO, 80033

City, State, Zip

(303) 534-1030

Telephone

()

Fax

4. **APPLICATION FEE: \$86.** (NOIs require an **\$86** fee which must accompany this notice or it cannot be processed by the Division).

5.

LOCATION INFORMATION:

County:

Principal Meridian (check one):



6th (Colorado)



10th

(New Mexico)



Ute

Section (write number)

4

TOWNSHIP

36

N



S



RANGE

6

E



W



QUARTER SECTION (check one):

NE



NW



SE



SW



QUARTER/QUARTER SECTION (check one):

NE



NW



SE



SW



GENERAL DESCRIPTION: (the number of miles and direction to the nearest town and the approximate elevation):

The proposed location is approximately 15 miles (25 miles by road/trail) south west of Monte Vista, CO.

NOTE: Supply longitude and latitude or UTM coordinates if lands have not been surveyed or as supplemental information to this NOI. GPS measurements will be acceptable for this purpose:

Lat: 37°24'0.69"N X: _____
Long: 106°19'4.05"W Y: _____

6. LAND OWNERSHIP:

☐ Private ☐ Public Domain (BLM) ☒ National Forest (USFS)
☐ State ☐ State Sovereign Lands ☐ Other (please describe)

If prospecting is located on BLM or USFS land the remaining section must be completed, otherwise go to section II Maps & Drawings

7. PROSPECTING ON BUREAU OF LAND MANAGEMENT (BLM) LAND AND U.S. FOREST SERVICE (USFS) LAND

The Division and the BLM/USFS have entered into cooperative agreements that eliminate the need for a prospector to post a financial warranty with each agency and allow them to coordinate the review of the NOI in order to minimize administrative processing time and effort.

A. CLAIMANT:

Name Solitario Resources Corp
Address 4251 Kipling St. Ste 390
City, State, Zip Wheat Ridge, CO, 80033
Telephone (303) 534-1030
Fax ()

B. SITE/CLAIM INFORMATION:

List names, serial numbers and provide legal description to nearest quarter-quarter section of all sites or claims (attach additional page, if necessary).

NAME	SERIAL NUMBER	LEGAL DESCRIPTION
Cat Creek 12	CO101870630	Section 4 T. 36N R.6E

C. LOCATION MAP: Attach a USGS 7.5 minute quad, or similar map of adequate scale, which locates the prospecting site(s).

D. Are prospect sites (e.g., drill holes, trench locations, etc.) staked on the ground? Yes ☒ No ☐

E. Specify the Land Management Agency, Address and Telephone Number:

Agency	U.S. Forest Service
Address	15571 County Road T5
City, State, Zip	La Jara, CO 81140
Telephone	(719)274-8971

F. The prospector is required to document that the NOI has been sent to the BLM or the USFS. Processing of the NOI will not begin until the prospector has submitted evidence acceptable to the Division that the NOI was sent to the BLM or USFS. Check one:

☐

Evidence of notification is attached to this NOI for BLM Land

☒

Evidence of notification is attached to this NOI for USFS Land.

☐

Other proof of notice is attached to this NOI

II. MAPS & DRAWINGS

An accurate topographic base map showing the location of the proposed project must be submitted with this notice. The prospector may submit a U.S.G.S. 7.5 minute quadrangle, or similar map of adequate scale that:

1. Identifies the proposed prospecting site(s) or activity areas involving surface disturbance. Activity areas include all drill holes, mud pits, excavations, trenches, adits, shafts, tunnels, rock dumps, stockpiles, impoundments and prospecting roads, and
2. Includes sufficient detail to identify and locate known prospecting features and facilities that may be affected and those that are not anticipated to be affected. This includes the location of all drill holes, mud pits, excavations, trenches, adits, shafts, tunnels, rock dumps, stockpiles, impoundments and prospecting roads. Color photographs, adequately labeled (including date, orientation and location), of the prospecting site may be used to fulfill this requirement if included with the NOI submittal.

III. PROJECT DESCRIPTION

1. Mineral(s) and/or Resource(s) being Investigated:

Base/Precious Metal/Polymetallic

2. Estimated dates of commencement and completion:

Commencement:	08	/	15	/	2024
Completion	10	/	31	/	2025
3. Amount of material (specify units) to be extracted, moved or proposed to be moved:

<u>1233</u>	Units	<u>cubic ft.</u>
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Identify the type or method of prospecting proposed and quantity (place an "X")

- | | | |
|--|---------------------------------------|--|
| <input type="checkbox"/> Cuts | <input type="checkbox"/> Pits | <input type="checkbox"/> Trenches |
| <input type="checkbox"/> Shafts | <input type="checkbox"/> Tunnels | <input type="checkbox"/> Adits |
| <input type="checkbox"/> Declines | <input type="checkbox"/> Air Drilling | <input checked="" type="checkbox"/> Fluid Drilling |
| <input type="checkbox"/> Drilling and Blasting | | |

5. Describe proposed surface excavation or other land disturbance, including roads, pits, trenches, waste piles, drill pads and collar areas of underground workings, ponds, etc.

No new road construction needed. Access to drill sites will use USFS 250, 251, 237 and 1A. Minor road maintenance will consist of filling holes manually or with a backhoe or similar type of equipment which will be limited to the existing footprint of road 237. Two drill sites will each have one core hole drilled and, depending on initial results, three additional drill holes if warranted by results. Depths of drill holes will vary from 0 to 2800 feet depending on the geology encountered while drilling. Depths are likely not to exceed 1500ft. Drill holes will be collared within the footprint of the road to eliminate new surface disturbance. Other vehicles will be parked on adjacent flat area at each site (staging areas). Due to the short time of use at each site, no stripping of existing topsoil will occur and vehicles and other tools will be parked on native grass/soil which will be reseeded and reclaimed.

6. Proposed Disturbance (approximate) Describe the proposed drilling to be conducted, including anticipated number of holes, diameter, depth, location, etc. Submit additional pages if necessary:

A. Drill Pads:

Quantity	<u>2</u>	Average Width (ft)	<u>30</u>	Average Length (ft)	<u>60</u>
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B. Drill Holes:

Quantity	<u>5</u>	Depth (ft)	<u>0-2800</u>	Diameter (in)	<u>2.96" to 3.76"</u>
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C. Mud Pits

Quantity	<u>0</u>	Average Width (ft)	<u> </u>	Average Length (ft)	<u> </u>	Average Depth (ft)	<u> </u>
----------	----------	--------------------	-----------------	---------------------	-----------------	--------------------	-----------------

- D. Described proposed underground work, including reopening of old workings, advancement of adits or shafts, trenches, pits, cuts, rock dumps, or other types of disturbance, describe type, quantity and general dimensions:

Not applicable.

E. Other Disturbances (please describe)

F. Indicate Chemicals and Fuels used or stored on site. List type, quantity and method to store.

Diesel fuel will be transported to the site in a permanently mounted steel tank in a pickup truck and stored in a permanently mounted tank on the drill rig. Gasoline, if present, will be held in a portable container and stored in the parts trailer or pickup truck. Any cleaning solvent will be stored in the parts trailer. Pickup bed mounted tanks can range from 35 to 120 gallons in capacity.

G. New Roads:

Length (ft): _____ Width (ft): _____

Significantly

Upgraded Roads

Length (ft): _____ Width (ft): _____

Are culverts or other crossings proposed? If so, please describe:

No

H. Total project area to be disturbed (acres) 0.1

I. Describe the equipment to be used for the prospecting operations:

Vehicles and equipment used at each drill site will be one track mounted core drill, one trailer mounted solid recovery unit (centrifuge), up to three pickup trucks, one or two, 2000 to 6000 gallon water trucks, one backhoe, two stock watering tanks for settling of drill water, a water tank or bladder for water storage, mud pump and mixing tank for grout and cement for drill hole reclamation, parts trailer, waste receptacles labeled for trash and recyclables, generator, 2 light plants and a Porta Potty.

J. Describe and locate any structures to be constructed (i.e. stockpiles, ponds, impoundments):

No structures will be required.

K. Describe anticipated relationship to surface water and groundwater (proximity to streams, penetration of ground water aquifers):

No water bodies will be disturbed. Non-saline water will be used in drilling as drill lubricant and coolant as well as to evacuate drill cuttings from the drill face. The amount of water used will be determined by the permeability of the geologic formations encountered in a drill hole. Water will be recirculated to the extent possible. Water will be transported to the site from permitted private or public sources depending on availability. Water usage is estimated to vary up to 5,000 gallons per day; however, if circulation of drill water is lost, larger quantities may be required until circulation can be reestablished. Water will be clarified using a Solids Removal Unit. Solids will be returned to the drill hole or dispersed, mulched and seeded.

IV. OPERATION AND RECLAMATION MEASURES:

1. The Board suggests that a photographic record of the pre-prospecting and post-prospecting conditions be kept by the prospector. These photos should be taken from the same location and by the same method to clearly show the pre-prospecting condition of the land and the reclamation efforts. Upon completion of reclamation and request for bond or surety release, the Board may consider the photos as evidence of adequate reclamation, and thus, be able to act more quickly on the request for release.
2. Provide a description of the native vegetation of the area to be disturbed, including tree, shrub, and grass communities of the area. Color photographs, sufficient to adequately represent the ecology of the site and adequately labeled (including date, orientation and location), may be used in lieu of a written description. Based on the quality of the photographs, the Division may require additional detail.

The attached images show access roads, drill site locations and parking/storage. Short term use of existing roads and off road parking should result in only minimal disturbance. No activities will involve excavation or physical ground disturbance. No water bodies will be disturbed and no modification of vegetation will occur.

3. Describe the estimated topsoil depth and how topsoil will be salvaged, stockpiled and redistributed for the re-establishment of vegetation. Specify approximate topsoil redistribution depth:

This Plan of Operations is designed to avoid new surface disturbance by avoiding excavating or breaking native soil horizons at the site. The staging areas directly adjacent to the drill collars on road 1A will be used to park vehicles at the site, but no vegetation is planned to be removed. The intent is to maintain native vegetation to facilitate natural re-vegetation. Upon closure, any areas of compacted soil will be roughed, seeded with a seed mix recommended by the CPRD, and mulched to promote re-vegetation. The affected area at each drill site will be raked, reseeded and mulched. Soil is very thin at the sites to it is intended to leave the soil undisturbed due to the short-term use of these areas. No re-contouring will be required as a result of planned activities.

4. Describe how drill holes will be plugged (refer to Rule 5.4 of the Rules for required abandonment procedures):

Boreholes will be plugged per Section 5.4.2 of MINERAL RULES AND REGULATIONS OF THE COLORADO MINED LAND RECLAMATION BOARD. More, specifically, after completion, boreholes will be immediately plugged by filling (starting from the bottom of the borehole) to within 5 feet of the top, with high solid bentonite/cement grout. After the drill casing is removed, the top five (5) feet of the will be filled with native materials and which are not more permeable than the surrounding soils which will be adequately compacted to prevent settling (Rule 2, CCR 402-2-16.1.3 - STANDARDS FOR PLUGGING, SEALING, AND ABANDONING WELLS AND BOREHOLES).

5. Describe how portals, adits, shafts, ponds, excavations, or other disturbances will be reclaimed (refer to Rule 3 and Rule 5 for specific reclamation performance standards). You may wish to contact the Division for closure specifications.

Not applicable

6. Describe how roads will be reclaimed or returned to their pre-prospecting (or better) condition:

The area on the road around the drill hole collars will be returned to the preexisting roadbed contours by manual raking if needed. Per the USFS POO, drilling is anticipated to be in or immediately adjacent to the existing road. If areas are disturbed adjacent to the road, they will be seeded with the Rio Grande Forest universal seed mix provided by the USFS district ranger and detailed in the table below:

7. List the seed mixture to be used in the re-establishment of vegetation. See the attached seed mixture calculation to obtain PLS/acre. For assistance with formulating seed mixtures and rates, contact the local NRCS if on private land, BLM/USFS if on public land or State Land Board if on state land.

A. Plant name and seeding rate:

Plant Name	Seeding Rate (PLS/Acre)
San Luis Slender Wheatgrass	4.4
Sodar Streambank Wheatgrass	4.6
Mountain Brome	3.9

- B. Describe the method for seed bed preparation, and application method for grass/forb seeding:

Any compacted areas at the turnaround sites will be manually roughed (raked) and seeded with a seed mix recommended by the Conejos Peak R.D. Seeding and mulching with weed-free commercial mulch will be conducted in coordination with USFS guidance.

V. TERMS AND CONDITIONS FOR PROSPECTING OPERATIONS:

1. Reclamation measures shall be fulfilled in a timely manner and completed within five (5) years of completion of prospecting activities.
2. The prospecting operations described in this Notice will be conducted in such a manner as to minimize surface disturbances. In addition to the measures required in Rule 5, precautions to be taken include:
 - A. Confinement of operations to areas near existing roads or trails, where practicable. Existing roads which are to remain as permanent roads after prospecting activities are completed shall be left in a condition equal to or better than the pre-prospecting condition;
 - B. Drilling shall be conducted in such a way as to prevent cuttings and fluids from directly entering any dry or flowing stream channel. Drill cuttings must be spread to a depth no greater than one-half (1/2) inch or buried in an approved disposal pit;
 - C. Proper and timely abandonment of drill holes upon completion of drilling;
 - D. Reclamation of affected lands upon completion of operations or phases of an operation;;
 - E. Backfilling and revegetating any pits to blend in with the surrounding land surface;

- F. Safeguarding mine entries, trenches and excavations from unauthorized entry at all times;
 - G. Disposal of any trash, scrap metal, wood, machinery, and buildings;
 - H. Control of noxious weeds within the area affected by the prospector
- 3. The prospecting operations shall be conducted in such a manner as to comply with all applicable local, state and federal laws and regulations including applicable state and federal air and water quality laws and regulations.
 - 4. The prospecting operations shall be conducted so as to minimize adverse effects upon wildlife to include covering of open drill holes until properly plugged.
 - 5. During the prospecting operations, the operator will perform the necessary stabilization and reclamation work to ensure those areas affected by prospecting activities are erosionally and geotechnically stable.
 - 6. All prospecting operations shall be in compliance with the Colorado Mined Land Reclamation Act, as amended (34-32-101 et seq. C.R.S.), and all rules and regulations currently in effect or promulgated pursuant thereto. See 2 CCR 407-1, Mined Land Reclamation Board Hardrock /Metal Mining Rules.

VI. ADDITIONAL TERMS AND CONDITIONS FOR PROSPECTING ON BLM/USFS LANDS

- 1. The prospector will supply a copy of this NOI to the appropriate BLM and/or USFS office.
- 2. The prospector authorizes the MLRB to discuss the information in this Notice of Intent with the BLM and/or USFS.
- 3. If on BLM land, the prospector will complete reclamation to the standards described in 43 CFR 3809.1-3 (d) and implement reasonable measures to prevent unnecessary or undue degradation of lands during operations.

VII. FINANCIAL WARRANTY

A financial warranty must be provided for the cost of reclamation of the disturbance described in this Notice. The prospector can either file a "One Site Prospecting Financial Warranty" or a "Statewide Financial Warranty." **The financial warranty must be submitted and approved by the Division prior to entry upon lands for the purpose of prospecting.**

A One-Site Prospecting Financial Warranty is usually filed by individuals or companies where prospecting activities are limited to a single area. It must be filed in the amount of \$2,000 per acre for land to be disturbed, or such other amount as determined by the Division, based on the projected costs of reclamation. A Statewide Financial Warranty is usually filed by companies with multiple prospecting sites. It must be filed in an amount equal to the estimated cost of reclamation per acre of affected land for all anticipated sites statewide. (You may increase the statewide bond at any time in order to cover additional or expanded prospecting activities.)

VIII. SIGNATURE REQUIREMENT

Please place your initials on the line provided:

SR I hereby verify that the foregoing information is true and accurate and commit to the reclamation of the aforementioned prospecting site as required by the Colorado Mined Reclamation Act and the rules as specified in the Hard Rock/Metal Mining Rules and Regulations and this NOI form.

SR I have enclosed the required permit fee.

SR I authorize the Division to contact and copy the BLM and/or USFS on any correspondence related to the prospecting operation, if the prospecting operation is located on federal public land.

SR I have also enclosed the appropriate reclamation surety amount or will post an amount as determined by the office, based on the projected costs of reclamation.

SR I understand that I am not authorized to create any surface disturbance until the surety amount is posted and approved in writing from the Division of Reclamation, Mining and Safety.

SR I accept and agree to comply with the foregoing terms and conditions and with all of the provisions of Rules 3 and 5, and C.R.S. 34-32-101.

SR I hereby certify that concurrent with submittal of this NOI to the Division, I have sent notice to the Boards of County Commissioners in the counties where the proposed activities will occur. This notice also indicated that non-confidential information regarding the proposed activities will be available for review at the Division's website.

This form has been approved by the Mined Land Reclamation Board pursuant to section 34-32-113, C.R.S., of the Mined Land Reclamation Act. Any alteration or modification of this form shall result in voiding any NOI issued on the altered or modified form and subject the operator to cease and desist orders and civil penalties for operating without a NOI pursuant to section 34-32-123, C.R.S.

I, the undersigned, being the NOI holder or the person authorized to sign on behalf of the NOI holder, declare that the information given in this NOI form is true and correct.

SIGNATURES MUST BE IN BLUE INK

Signed and dated this 4th day of September, 2024
(date) (month) (year)

Signature of NOI holder or person authorized to sign: Sándor Ringhoffer

Name (typed or printed):

Title/Position:

Sándor Ringhoffer
Geologist, Project Manager

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30 Aug 2017