STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

1313 Sherman St., Room 215 Denver, Colorado 80203 Phone: (303) 866-3567 FAX: (303) 832-8106 COLORADO
DIVISION OF
RECLAMATION
MINING
— &—
SAFETY

May 10, 2012

Kelsey Schumacher 1140 Carbon Junction, #7 Durango, CO 81301 John W. Hickenlooper Governor

Mike King Executive Director

Loretta Piñeda Director

RE: Mayday Idaho Mine Complex, Permit No. M-1981-185

Dear Mrs. Schumacher:

Thank you for taking the time to share your concerns with the Division of Reclamation, Mining and Safety (Division). On December 12, 2011 the Mined Land Reclamation Board (Board) issued an Order in which they did partially approve with conditions Wildcat Mining Corporation's (WMC) application (CN1) to convert their 110(2) permit to a 112d(1) permit. Through CN1, WMC has attempted to incorporate all of the proposed affected lands from the Mayday Mine, the Idaho Mill, and other disturbed areas related to the mine operation into one Reclamation Permit. The partial approval of CN1 was deemed necessary, by the Board, in order to allow WMC to address permit application adequacy concerns identified by the Division and to perform corrective actions issued by the Board as a result of past violations by WMC. WMC may not commence mining and/or milling activities at the site until the conditions imposed by the December 12, 2011 Board Order have been satisfied.

Because this site was determined to be a Designated Mining Operation, WMC will be required to submit an Environmental Protection Plan (EPP), for Division approval, outlining necessary measures to be taken by WMC in order to protect human health, property and the environment in accordance with the Colorado Mined Land Reclamation Act (Act) and Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for Hard Rock, Metal, and Designated Mining Operations (Rules). Additionally, before any mining or milling activities may occur, WMC will be required to demonstrate how they will minimize their disturbance to the water quality of the surface and groundwater systems in the area.

The enclosed *Memo*, dated October 2, 2001, describes the roles and jurisdiction of the Board and Division. The jurisdiction of the the Board does not extend to land use decisions, visual or economic impacts, noise, traffic, dust and other nuisances, or socioeconomic issues. Local government, through the local land use and planning and permitting process, handles these issues. Statutorily, if the Division or Board determines that a reclamation permit application minimally meets the requirements of the Act and Rules, the permit application may not be denied.

If in the future you have concerns with issues that are not within Division's jurisdiction, please feel free to contact me so that I may provide you with contact information for the responsible agency.

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Again, the Division appreciates you taking the time to share your concerns regarding this operation. If I may be of further assistance, please feel free to contact me.

Sincerely,

Dustin Czapla

Environmental Protection Specialist
Department of Natural Resources
Division of Reclamation, Mining and Safety
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Enclosure: Guide to Citizen Participation in the 112 Reclamation Permit Application Process for Construction Material and Hard Rock/Metal Mining Operations