

STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY
Department of Natural Resources

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John W. Hickenlooper
Governor

Mike King
Executive Director

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Director

June 12, 2012

Ms. Melanie Bounds
Huerfano County
401 Main St., Ste. 105
Walsenburg, CO 81089

**RE: Orlando Pit, Permit No. M-2001-106, CN-01
Preliminary Adequacy Review**

Dear Ms. Bounds:

The Division of Reclamation, Mining and Safety (Division) has completed its preliminary adequacy review of your 110 to 112 construction materials reclamation permit conversion application. The application was received on March 21, 2012 and called complete for review on April 5, 2012. The decision date for this application is July 5, 2012. Please be advised that if you are unable to satisfactorily address any concerns identified in this review before the decision date, it will be your responsibility to request an extension of the review period. If there are outstanding issues that have not been adequately addressed prior to the end of the review period, and no extension has been requested, the Division will deny this application.

The review consisted of comparing the application content with specific requirements of Rules 3, 6.1, 6.2, 6.4 and 6.5 of the Minerals Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials (Rule). Any inadequacies are identified under the respective exhibit heading along with suggested actions to correct them.

APPLICATION

The Application form is adequate as submitted.

6.4 SPECIFIC EXHIBIT REQUIREMENTS – 112 OPERATIONS

The following items must be addressed by the applicant in order to satisfy the requirements of C.R.S. 34-32.5-101 et seq. and the Mineral Rules and Regulations of the Mined Land Reclamation Board:

6.4.1 EXHIBIT A – Legal Description

1. Legal Description of Permit Boundary – the legal description in Exhibit A is consistent with that presented as text and graphically on the Exhibit Index Map, both Exhibits C (Pre-Mining Plan Map and Mining Plan Map – also included in Exhibit I), and Exhibit F. However, there appear to be some discrepancies in the some of the lengths as dimensioned and presented in the text versus the measured lengths of the lines on the map. It may be that there are some errors in the azimuths as well. The Division was unable to close the proposed permit boundary using the “leg” lengths as measured. The following table summarizes the noted discrepancies (for the following summary, legs are numbered from the POB in the direction of the legal description progression):

"Leg" Number	Labeled Length (ft)	Measured Length (ft)
4	350	~310
5	1075	~975
7	479	~600
8	705	~500

Please correct the discrepancies as appropriate in the legal description and all five map occurrences listed above.

6.4.2 EXHIBIT B – Index Map

Please see Comment 1 above.

6.4.3 EXHIBIT C – Pre-mining & Mining Plan Maps

Please see Comment 1 above.

- Both maps are labeled Exhibit C. For clarity in reference, please use different labels such as "Exhibit C Pre-Mining Plan Map" and "C.1 Mining Plan Map".

6.4.5 EXHIBIT E - Reclamation Plan

The following comments relate to Rule 3.1 as referenced from Rule 6.4.5(2)(c).

- 3.1.4 – This paragraph references the Landowner as "Colorado State Land Board". Please clarify whether the land is privately owned, as stated in the Application, or State land.
- 3.1.4.10(4) – This paragraph also references the Landowner as "Colorado State Land Board". Please clarify whether the land is privately owned, as stated in the Application, or State land.

6.4.6 EXHIBIT F - Reclamation Plan Map

Please see Comment 1 above.

6.4.7 EXHIBIT G - Water Information

- Paragraphs (3) & (4) – These paragraphs indicate there are no water requirements for the mine operation. Please provide an explanation on how dust is to be controlled on site, and if water is required, please state the source of the water.

6.4.9 EXHIBIT I – Soils Information

- Section II, Soils and Ecological Site Map – The permit boundaries on both the Soils Map and the Ecological Site Map appear to be misplaced. This is noticeable as the base map is an aerial/satellite photo that shows the existing pit to be considerable south and somewhat east of the permit boundary as shown. Please provide corrected soil and ecological maps.
- The Pre-Mine Map (Exhibit C) indicates the east edge of the permit boundary contains a soil unit identified as "78". There is no information in Exhibit I for Soil Unit 78. Please provide this information.

6.4.14 EXHIBIT N – Source of Legal Right to Enter

- Orlando Pit No. 2 Map – The discrepancies noted in Comment 1 likely have relevance to this map. Legs 4 and 8 specifically (reference Comment 1), as well as the leg with the 805 ft length on a 118° azimuth may also be affected. Please make corrections as necessary with this map in order to be consistent with corrections made with respect to Comment 1 above.

Financial Warranty:

No Financial Warranty is required as the Operator is Huerfano County (pursuant to Rule 4.1.2(2)).

Please be advised the Orlando Pit Conversion Application may be deemed inadequate and the application may be denied on **July 5, 2012** unless the abovementioned adequacy review items are addressed to the satisfaction of the Division. If you feel more time is needed to complete your reply, the Division can grant an extension to the decision date. This will be done upon receipt of a written waiver of your right to a decision by **July 5, 2012** and request for additional time. This must be received no later than the deadline date.

If you have any questions, please contact me (303-866-3567 ext. 8169).

Sincerely,



Timothy A. Cazier, P.E.
Environmental Protection Specialist

cc: Tom Kaldenbach, DRMS
Joe Gagliano, LJ Development, Inc. (via email)