## 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

SAFETY

John W. Hickenlooper Governor

OLORADO

MINING

DIVISION OF RECLAMATION

Mike King Executive Director

Loretta E. Piñeda Director

June 27, 2012

Mr. Jess E. Minium Senior Consultant MTAA. LTD 205 Oak Street Kelso, WA 98626

Need for State Reclamation Permit for the Apache Tailings, OU-7 Site; DRMS File No. M-2012-028

Dear Mr. Minium:

The Division of Reclamation, Mining & Safety (DRMS) received your completed "Need for a State Reclamation Permit" questionnaire on June 15, 2012. Your response indicates the purpose of this operation is to excavate an estimated 345,000 cubic yards of material from the Apache Mill Tailings, OU-7 Site, consisting of a combination of deposited mill tailings and underlying bank material. The material is proposed to be hauled to an off-site facility for processing to extract any recoverable, marketable minerals with the remaining waste processed into building blocks. Based on the information contained in your questionnaire response, it is the Division's opinion that you will be required to obtain a reclamation permit from the Mined Land Reclamation Board.

In addition, because the material to be excavated is apparently an acid and toxic producing material, please be aware that this proposed operation will most likely meet the definition of a Designated Mining Operation (DMO) as defined in C.R.S. 34-32-103(3.5) of the Colorado Mined Land Reclamation Act (Act) and require a DMO permit as detailed in Rule 3, 6 and 7 of the Hard Rock, Metal, and Designated Mining Operations Rules and Regulations of the Colorado Mined Land Reclamation Board (Rules) with an Environmental Protection Plan as specifically detailed in Rule 6.4.21 and Rule 7. You can access the Act, the Rules, and various Reclamation Permit Application Forms on the DRMS website at www.mining.state.co.us .

Please be advised that this opinion is being offered based on the information provided in your response. The Mined Land Reclamation Board has requested that the Division make determinations as to the need for a Mined Land Reclamation Permit. If you have any concerns or disagree with this decision, you may petition to appear before the Board during a formal public hearing for a formal Declaratory Order concerning this matter. This request must be made in writing and be received no later than 10 days prior to the hearing. The next available Board meeting will be held on July 11, 2012.

If you need additional information, please contact me at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 South Third Street, Room 301, Grand Junction, Colorado 81501, telephone no. 970-243-6368.

Sincerely,

Steve S. Shuey

Senior Environmental Protection Specialist

ec: Tony Waldron-DRMS

Russ Means – DRMS GJFO Tom Kaldenbach-DRMS Dustin Czapla-DRMS GJFO

Craig R. Gander-CDPHE HMWMD

Cc: John M. Lassalette-Attorney for MTAA LTD