

STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY Department of Natural Resources

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October 25, 2012

Glen Williams
Cotter Corp.
P.O. Box 700
Nucla, CO
81424

John W. Hickenlooper
Governor

Mike King
Executive Director

Loretta Piñeda
Director

RE: SR-13A Mine, File No. M-1977-311, Amendment (AM1) Application Adequacy Review

Dear Mr. Williams:

The Division of Reclamation, Mining and Safety (Division) is in the process of reviewing the above referenced application in order to ensure that it satisfies the requirements of the *Colorado Mined Land Reclamation Act* (Act) and the associated *Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for Hard Rock, Metal, and Designated Mining Operations* (Rules). During review of the material submitted, the Division determined that the following issue(s) shall be adequately addressed before the application can be considered for approval.

Site Description

1. Addressing Rule 6.3.2 (c) – On page B-20 under section C, the exhibit states that there are several wells in the area. Please provide the Division with the location(s) of these wells and any other pertinent information, such as well depths, depth to water, and their uses.
2. Addressing Rule 6.3.2 (c) – Maps included with the amendment package show a stream adjacent to the south side of the permit area. Please provide the Division with a description of this drainage.

Mining Plan

3. Addressing Rule 6.3.3 (1) (f) – On page C-4 under item a., the exhibit states that waste rock will be stacked to a height that will not impede grading to 2H:1V during reclamation. Please provide the Division with the maximum anticipated thickness that waste rock will be placed.
4. Addressing Rule 6.3.3 (1) (f) – On page C-5 under item b., the exhibit states that ore will be piled up to a workable stockpile. Please provide the Division with a maximum anticipated amount of ore to be stockpiled at any given time.
5. Addressing Rule 6.3.3 (1) (l) – Please address the drainage adjacent to the south side of the permit area that is shown on maps that were included with this application.

Map(s)

6. Addressing Rule 6.3.5 (2) (b) – On the Mining Plan Map, label the owner(s) of the surface of the affected area, all owners of land within 200 feet of the affected area, and identify the owner of the substance(s) to be mined.

7. Addressing Rule 6.3.5 (3) (e) – There is a topsoil stockpile shown on the reclamation plan maps. If this material is intended to be fully utilized during reclamation, please remove this feature from the map(s).

Environmental Protection Plan

8. Addressing Rule 6.4.21 (6) (b) (iii) – Please describe how Cotter Corp. will prevent adverse off-site impacts during periods of Temporary Cessation.
9. Addressing Rule 6.4.21 (7) – The EPP states that a radiometric survey will be completed prior to mining in order to document baseline conditions at the site. Baseline conditions shall be established as part of this amendment process. Please conduct a radiometric survey of the affected area and submit the results to the Division along with an evaluation of the expected effectiveness of the proposed EPP, which specifically addresses the risks, from uranium, uranium byproducts, and any other radionuclides expected to be encountered during this operation, to human health, property and the environment.
10. Addressing Rule 6.4.21 (8) – In the last paragraph on page T-12, the EPP states that uranium and related constituents would be transported through the Salt Wash sandstone in an east-northeast direction. It then states that transport through the Entrada Formation would occur in the same northwesterly direction. Please clarify.
11. Addressing Rule 6.4.21 (8) – On page T-14, the EPP states that several “borings continued through the ore zone and into the upper portion of the Salt Wash Formation”. It has been previously stated that the upper portion of the Salt Wash Member is the ore zone. Please clarify.
12. Addressing Rule 6.4.21 (9) – On page T-17, the EPP provides information about an Entrada/Navajo Sandstone well. Please provide the Division with the location of this well.
13. Addressing Rule 6.4.21 (9) (a) – Please address this rule.
14. Addressing Rule 6.4.21 (11) (a) – Please address this rule. The Division considers the Dolores River to be a receiving stream within two miles and down gradient from the affected land.
15. Addressing Rule 6.4.21 (12) – On page T-16, the EPP states that if water is encountered during mining, and chemical analysis determines that uranium related constituents are above regulatory guidelines, then a monitoring well will be installed. If groundwater is encountered during mining, a monitoring well shall be installed and a monitoring plan shall be established in accordance with this rule, regardless of the results of the chemical analysis. Please commit to this.
16. Addressing Rule 6.4.21 (14) – SPLP tests were conducted in order to characterize the waste rock generated at this site. According to this rule, the ore must also be characterized. Please submit to the Division, a geochemical evaluation of the ore to be mined. Alternatively, if ore samples are not available at this time, commit to submitting this information to the Division, for review and approval, prior to any stockpiling on the surface.
17. Addressing Rule 6.4.21 (16) – On page T-24, the EPP states that design and implementation of the Drainage Design Plan will be overseen by a registered professional engineer. Please commit to submitting an “As-Built Certification” to the Division following construction.
18. Addressing Rule 6.4.21 (16) – On page T-24, the EPP states that Cotter Corp. will conduct regular inspections of all structures. Please inform the Division of the anticipated minimum inspection frequency interval.
19. Addressing Rule 6.4.21 (18) (b) – Please describe the measures Cotter Corp. intends to take to prevent wildlife from coming into contact with uranium, uranium by-products or any other radionuclides.

Geotechnical Stability Exhibit

20. The Mining and Reclamation Plans, on pages C-4 and D-2, state that the waste rock pile will be reclaimed to no steeper than 2H:1V. This exhibit uses a slope of 3H:1V to calculate a factor of safety. Please use a slope equal to or steeper than the proposed final slope to determine a factor of safety for the waste rock pile.

21. Please inform the Division of the maximum anticipated total thickness of the waste rock pile.

Please submit your response(s) to the above listed issue(s) by Friday, November 23, 2012, in order to allow the Division sufficient time for review.

The Division will continue to review your application and will contact you if additional information is needed.

If you require additional information or have questions or concerns, please contact me at the DRMS Grand Junction Field Office.

Sincerely,



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Cc: Ed Cotter, DOE

Ec: Russ Means, DRMS GJFO