

STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

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MEMORANDUM

TO: All Parties

FROM: Bob Oswald, Division of Reclamation, Mining and Safety *RCO*

DATE: January 16, 2013

SUBJECT: Revenue Mine, File M-2012-032, Conditions of Permit Application Approval

The attached is a list of Conditions that are to be made part of the approval of the Hard Rock/Metals 112d-1 permit for the Revenue Mine, File Number M-2012-032. This is an addendum to the Division's letter of rationale for its recommendation of approval of the permit application, dated January 14, 2013.

Revenue Mine, File Number M-2012-032
Hard Rock/Metal 112d-1 Permit Application

Conditions Attached to Permit Approval
(Addendum to Division's Letter of Rationale, dated January 14, 2013)

Condition No. 1

The Operator must continue the approved water quality monitoring program for the life of the permit including the underground water sampling and surface water sampling. Analysis shall include the set of approved parameters or as modified under a revision. Results of analyses must be forwarded to the Division within 15 days of receipt by the operator.

Condition No. 2

The Operator may not commence production-level operation of the mill until a limited test run of the mill circuit has generated sufficient tailings materials to be analyzed and certified by the Division. Tailings analysis of 250 tons of ore, or a greater amount as approved by the Division, must indicate that tailings will not adversely affect the hydrologic balance if disposed of in the manner described in the plan. No production level milling operations can commence until written acceptance of the tailings analysis and a notice to proceed are issued by the Division. Tailings analysis will be performed thereafter on a quarterly basis during each quarter that the mill is operational.

Condition No. 3

The Operator must conduct periodical geochemical analysis of waste and ore rock. Rock analysis will be performed on a quarterly basis during each quarter that waste rock is generated and disposed of in a waste rock disposal area. Ore analysis will be performed quarterly or when new areas not previously tested are initially opened for production. All test results will be forwarded to the Division within 15 days of receipt by the operator.

Condition No. 4

The Operator shall not install the proposed perforated line to be buried in the existing waste rock dump in lieu of discharging the groundwater into the existing mine pond until all waste rock analysis has been performed and accepted by the Division. Geochemical analysis must demonstrate that the waste rock will not release constituents of concern above acceptable groundwater limits. The Division must approve the location of waste rock to be analyzed, sampling method and type of analysis, construction details and schedule of pipeline installation, all under a revision to the permit.

(end)