



January 24, 2013

Mr. Dustin Czapla
Environmental Protection Specialist
Department of Natural Resources
Colorado Division of Reclamation, Mining and Safety
Grand Junction Field Office
101 S. Third St., Suite 301
Grand Junction, CO 81501

RECEIVED

JAN 25 2013
GRAND JUNCTION FIELD OFFICE
DIVISION OF
RECLAMATION MINING & SAFETY

Re: SR-13A Mine, Permit No. M-1977-311, Response to Comments from State Division of Water Resources

Dear Mr. Czapla:

I am writing in response to your letter dated November 20, 2012, which requests that Cotter Corporation (N.S.L.) ("Cotter") inform the Division of Reclamation, Mining and Safety ("Division") of how it will respond to the jurisdictional issues presented by the State Division of Water Resources ("DWR") in its memorandum, dated November 14, 2012, to the Division, regarding Cotter's 110d Amendment Application for the SR-13A Mine.

Cotter does not see any jurisdictional issues in the DWR's comments. If the Division believes that such issues exist, please contact me so that Cotter can evaluate whether it needs to prepare an additional response.

Cotter nonetheless wishes to respond to a non-jurisdictional issue raised by the DWR in its memorandum. The DWR recognizes that the "proposed operation does not anticipate exposing groundwater," but then states that "exposure of ground water must not occur during or after mining operations." This statement raises the question of what steps should be taken if groundwater is unexpectedly encountered during or after mining operations. If such groundwater is unexpectedly encountered, Cotter will take appropriate steps to obtain any necessary well permits or water replacement plans required to protect vested water rights.

If you have questions regarding this submittal, please call me at Cotter's Nucla office, 970-864-7347.

Respectfully,

Glen Williams
Vice President, Mining Operations

SR-13A DWR response

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