

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
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February 26, 2013

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

John W. Hickenlooper
Governor

Mike King
Executive Director

Loretta Piñeda
Director

RE: JD-7 Pit Mine, File No. M-1979-094-HR, 112d Amendment (AM1) Application Adequacy Review (1)

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 adequately 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) of concern shall be adequately addressed before the application can be considered for approval.

1. On page 81 of the EPP - section 10.1.1 – paragraph 2, it is stated that drilling of monitoring wells will commence at least six months prior to any future excavation of ore or overburden. Pursuant to Rule 6.4.21 (9) (b), five successive quarters of groundwater quality data must be submitted to the Division. Please commit to submitting groundwater quality data collected during five successive calendar quarters, in order to adequately characterize the baseline conditions, prior to any further excavation of overburden or ore.
2. On page 85 of the EPP – section 10.1.3 – Table 33, the second column under Quarterly Sampling reads “Water Level.” Please confirm that this should read “Water Quality.”
3. Geochemical analysis was conducted on ore from a nearby site, which is likely similar in composition to the ore that will be encountered at this site. However, pursuant to Rule 6.4.21 (14), such analysis and accompanying evaluation shall be site specific. Please commit to submitting geochemical evaluations of the ore from this site, from both the underground and the open pit mines, for Division review and approval, prior to any stockpiling on the surface.
4. In order to establish baseline conditions in accordance with Rule 6.4.21 (7), 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.

5. Please inform the Division of the specific plan(s) for reclaiming the ore storage areas that will ensure that radionuclide levels will not exceed the baseline conditions to be established during this amendment process.

Please submit your response(s) to the above listed issue(s) by Friday, March 15, 2013 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,



Dustin Czapla

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Cc: Ed Cotter, DOE