

STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

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John W. Hickenlooper
Governor

Mike King
Executive Director

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Director

April 10, 2013

Mr. Tom Mountfort
Denver Water
1600 West 12th Avenue
Denver, CO 80204

**Re: Schwartzwalder Mine, Permit No. M-1977-300
Permit Amendment 4 (AM-04)**

Mr. Mountfort:

Cotter Corporation has indicated they are agreeable to conducting the attached "Supplemental Mine Pool Monitoring Plan". With the exception of "total organic carbon", the plan includes the increased monitoring requirements specified in Denver Water's letter of April 2, 2013.

The supplemental plan substitutes "total carbon" for "total organic carbon" that was specified in Denver Water's letter. "Total carbon" includes carbon in organic form, as well as carbon bound in CO₂ and HCO₃. The Division believes "total carbon", rather than "total organic carbon", will be adequate as one of the indicators of biological in-situ treatment progress.

Unless the Division hears otherwise from Denver Water, the Division anticipates making a formal decision to partially approve AM-04 (limited to the dewatering and treatment portions) no later than Friday, April 12.

Again, we appreciate your continued efforts and involvement in this matter. Your remaining concerns related to the backfill slurry are noted and will be closely monitored by the Division as the dewatering and treatment plans are implemented. Please feel free to contact me if you have any further questions.

Sincerely,

Tom Kaldenbach

cc (via email):

Tony Waldron, DRMS
Jeff Fugate, AGO
Dan Arnold, Denver Water

Supplemental Mine Pool Monitoring Plan

This monitoring plan supplements Cotter's existing quarterly full-suite sampling of the mine pool.

Commencement of supplemental plan: Upon commencement of mine pool pumping.

Sampling frequency: Bi-weekly (once every two weeks) for first 6 months, then monthly for 18 months or longer if required by DRMS.

Reporting of analytical results to DRMS: Within 30 days of the day a sample is collected.

Analytes

pH

Temperature

Conductance

Oxidation/Reduction Potential

TDS

SO₄

Total carbon

Total concentrations of:

As

Ba

Cl

Fe

Mn

Mo

Ra-226 + Ra-228

U