

July 1, 2019

Lucas West
Environmental Protection Specialist
Colorado Division of Reclamation, Mining and Safety
1313 Sherman Street Room 215
Denver, Colorado 80203
Via email to lucas.west@state.co.us, russ.means@state.co.us

Re: Limited Impact 110 application, Von Doose Mine, Permit M-2019-031

Dear Mr. West,

Thank you for the opportunity to submit comments on the Von Doose Mine, permit number M-2019-031. These questions and comments are submitted by the Information Network for Responsible Mining and the Northern San Juan Chapter of Great Old Broads for Wilderness. INFORM is a statewide citizens organization that address the impacts of hardrock mining across Colorado. Great Old Broads for Wilderness is a national grassroots organization led by women that works to protect wilderness and wild lands for future generations. The staff and members of INFORM and the Northern San Juan Broadband regularly use and enjoy the surrounding public lands adjacent to the proposed permitted area under consideration. We appreciate your consideration of our objections to the Von Doose Mine permit application.

Atlas Mining & Reclamation, LLC is proposing a high-impact exploration and potential mining operation that exceeds the parameters of the limited impact 110 application that has been applied for. The permitted area of 4.66 acres has been artfully constructed in order to gerrymander activities into two separate development zones, to the exclusion of the road and entire mountain slope in between. The areas should be consolidated and the actual affected area of future mining operations should be accurately anticipated and included in the mine designs. At minimum, the permitted area should include the entire length of the access road between the two parcels.

Rule 6.3.3(1) requires that the mining plan “will affect the permit area for the duration of the operation.” However, only the scantest of details about what mining would actually entail at the site have been included in the application. For example, the operator states that the life of mine will be 20 years, which seems quite substantial, and would presumably entail a great deal of ore production over time. In the reclamation plan, however, the operator states that the waste piles of the Von Doose Mine will contain only 7,100 cubic yards of material and have a final footprint of less than half an acre. This is not a realistic outcome for a mine that would actually produce ore and be operated profitably over a two-decade period. The operator’s statement that operations will cease at the mine at the first sign of any water quality concerns with a full retreat and immediate closure to closely follow also raises questions about the full intent of the operator and the exploratory nature of the proposal. It would be more appropriate for the application to reveal the full intent of the operator’s plans and provide a complete picture of how mining would occur at such a sensitive location.

The operator's request to leave the planned buildings intact and onsite should be denied. Red Mountain Trust, LLC, the landowner, was registered as a Colorado corporation in February 2019 with Eli Doose as the registered agent. In May, just before this application was submitted, the registered agent was changed to an attorney in Ouray. Thus, it appears that the operator Eli Doose, through his company Atlas Mining, is asking for an exemption for himself in a rather roundabout way, and has also signed structure agreements between his own entities. [Please see enclosed registration documents from the Colorado Secretary of State.] Why not be more forthright about the fact that the operator and the land owner are the same?

Perhaps one reason is that the application itself – especially considering the lack of substantive planning for actual mining operations – appears to offer an opportunity to sidestep the strict nature of Ouray County's land use code requirements for the high country areas around Red Mountain. The land use code strictly limits building size to no more than 2,500 square feet on 35-acre parcels, and only then under explicit conditions. Yet, what is proposed by the operator are a 2500-square-foot shop building, a 2620-square-foot shaft house, and a 2760-square-foot boarding house in a permit area less than five acres. The request to leave all these structures permanently in place should be denied, and the DRMS permit for the mine should be contingent on the operator's ability to satisfy all local land use requirements, pertaining to residential development in Ouray County. The shaft house and boarding house will be visible from Red Mountain Pass and will be subject to Ouray County's visibility guidelines and it is unlikely that they could be approved as proposed in this mining application if not for the veneer of mining activities that has been painted on.

The inclusion of a boarding house within the mining plan, especially one that is located on the upper portion of the permit area and away from the main mining portal and staging area, is also questionable. Of course, there is no description, as required, of how waste water will be handled at the boarding house, which at 2,760 square feet will be large enough to house a great number of miners in bunk beds, even though the application says there will only be a maximum of six and only if mining actually commences. Considering that the operator has described activities that more closely resemble a hobby mine than an actual ore-producing industrial facility, and has stated an intent to close up the entire project rather quickly should things not develop in quite the right way, it is reasonable to question whether the operation would entail having employees at all. Perhaps there are other occupants expected to reside in the "boarding house"; the operator should specify who it will be. At the June 25 public meeting of the Ouray County commissioners, the operator stated that the mining property was also leased to a recreational skiing outfitter.¹ The Division should require the operator to be clear about all of the activities that will be occurring within the permitted area and on their adjacent private land holdings in order to determine that no conflicts between recreational and mining activities occur.

The operator's chosen post-mining land use of "industrial and commercial" is not the appropriate land use. The immediate adjacent areas have been subject to extensive conservation efforts by

¹ A recording of the Ouray County June 25, 2019, meeting is available here: https://www.dropbox.com/s/kh6qveg7ettp5eu/2014.10.08_15.54_01.MP3?dl=0

regional stakeholders through the Red Mountain Project, the Trust for Public Lands, and the U.S. Forest Service. The primary use of the land is to provide wildlife habitat, and the primary human use of the land is for recreation. Industrial and commercial use of the land is in conflict with the intention of Ouray County's high country zoning district and its stated efforts to preserve the general area and to limit development to maintain the historic nature of the area. The selected land use by the landowner should in no way allow any room for a final reclamation plan that does anything other than completely restore the landscape to support and sustain wildlife habitat.

The operator has stated that operations will only occur seasonally and that the site will be accessed in winter by snowmobile, yet does not describe how avalanche danger will be mitigated, either for the mining operation itself or for the traffic on the road up Corkscrew Gulch.

Rule 3.1.5(1) requires that grading result in a final topography that is appropriate to the final land use. In this case, returning the final topography of the site to its initial contours is the most compatible with the dominant uses of recreation and wildlife habitat. After the completion of mining activities, backfilling of development and waste materials should be required. Rule 3.1.5(7) requires that reconfigured slopes must be compatible with surrounding conditions. In this case, that should mean the natural topography of Corkscrew Gulch as it currently exists. The surrounding areas already have abundant waste piles from historic mining activities and new ones are not needed at this time.

The operator should provide more information about how it will comply with Rule 3.1.5(5), which requires the unsightliness of waste to be controlled, as well as explaining how the drainage system downslope from the development areas of the mine will be fully protected from pollution.

The operator has not demonstrated that impacts to the prevailing hydrologic balance of the site will be minimized as required by Rule 3.1.6. In fact, the application predisposes the outcome of the presence of groundwater within mine workings by suggesting that a bulkhead can simply be laid aside and then installed in short order just in case it's needed. Additional information about the site's hydrology is necessary up front in order to develop a more detailed plan about how acid mine drainage will be prevented and the site's hydrological balance maintained, as installing a bulkhead may be but isn't necessarily always going to be the most protective outcome for a problematic situation inside a mine. Considering the history of mining in the Red Mountain district and the extensive pollution that has occurred in the past, there is a reasonable likelihood that developing a new mine in Corkscrew Gulch will result in impaired water quality and that an extensive hydrological management plan will need to be put in place in order to deal with it. The operator should be required to provide a more detailed study of the existing hydrological conditions at the site and prepare plans for the necessary environmental protection facilities required for Designated Mining Operations.

Rule 3.1.7 requires the operator to meet groundwater quality standards in accordance with the requirements of the Colorado Water Quality Control Commission. The baseline ground water quality should be established before the permit is issued and the operator should be required to meet the same numeric limits in the future once mine development commences. Since an adverse impact to water quality may be reasonably expected at the Von Doose Mine, the applicant should be required to develop a groundwater monitoring plan in accordance with Rule 3.1.7(7).

Ore is nothing without a mill, and Atlas Mining's application says nothing about where the ore from the Von Doose Mine will go. How ore will ultimately be produced and concentrated – whether on site or off – should be specified. Overall, there is no specific detail anywhere in the application about how much ore will be produced at the mine over time, where the waste will be placed inside the permit area, and how much waste from mining and/or milling will ultimately be created. The operator's statement that no designated chemicals will be used in the operation is problematic, and there is no discussion at all about how toxic-forming materials will be handled, especially considering that the location of the mine indicates that sulfide ores will be extracted. It is not relevant that SPLP tests of the topsoil indicated a lack of acid-forming materials; what would be relevant is SPLP test results for the mineralized matter that will be excavated from the mine. An understanding in advance of how much material will be generated and how it will be appropriately managed is absolutely critical for a mine at this location.

The operator should be required to meet any recommendations made by the Colorado Parks and Wildlife, and at minimum, should consider seasonal closures to protect the sensitive species present in Corkscrew Gulch. In addition, the operator should be required to comply with all requirements of the U.S. Forest Service, Ouray County, the Colorado Water Quality Control Commission and all other agencies before activities at the site may begin.

We respectfully request that the Division deny the permit application for the Von Doose Mine as it fails to meet the minimum requirements of the Rules and Regulations.

Thank you again for your consideration. Please contact us if you require additional information.

Respectfully submitted,

Jennifer Thurston
Executive Director
Information Network for Responsible Mining
P.O. Box 332
Paradox, CO 81429
970-859-7456
jennifer@informcolorado.org

Robyn Cascade
Leader
Northern San Juan Chapter
Great old Broads for Wilderness
P.O. Box 2924
Durango, CO 81302
970-385-9577
northernsanjuanbroadband@gmail.com



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Articles of Organization

filed pursuant to § 7-80-203 and § 7-80-204 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name of the limited liability company is

Atlas Mining & Reclamation, LLC

(The name of a limited liability company must contain the term or abbreviation "limited liability company", "Ltd. liability company", "limited liability co.", "Ltd. liability co.", "limited", "l.l.c.", "llc", or "Ltd.". See §7-90-601, C.R.S.)

(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the limited liability company's initial principal office is

Street address

736 Main Street

(Street number and name)

Ouray

(City)

CO

(State)

81427

(ZIP/Postal Code)

United States

(Country)

(Province - if applicable)

Mailing address

(leave blank if same as street address)

PO Box 1028

(Street number and name or Post Office Box information)

Ouray

(City)

CO

(State)

81427

(ZIP/Postal Code)

United States

(Country)

(Province - if applicable)

3. The registered agent name and registered agent address of the limited liability company's initial registered agent are

Name

(if an individual)

Doose

(Last)

Eli

(First)

(Middle)

(Suffix)

OR

(if an entity)

(Caution: Do not provide both an individual and an entity name.)

Street address

736 Main Street

(Street number and name)

Ouray

(City)

CO

(State)

81427

(ZIP Code)

Mailing address
(leave blank if same as street address)

PO Box 1028

(Street number and name or Post Office Box information)

Ouray

(City)

CO

(State)

81427

(ZIP Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent has consented to being so appointed.

4. The true name and mailing address of the person forming the limited liability company are

Name
(if an individual)

Doose

(Last)

Eli

(First)

(Middle)

(Suffix)

OR

(if an entity)

(**Caution:** Do not provide both an individual and an entity name.)

Mailing address

736 Main Street

(Street number and name or Post Office Box information)

PO Box1028

Ouray

(City)

CO

(State)

81427

(ZIP/Postal Code)

United States

(Province – if applicable)

(Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The limited liability company has one or more additional persons forming the limited liability company and the name and mailing address of each such person are stated in an attachment.

5. The management of the limited liability company is vested in

(Mark the applicable box.)

one or more managers.

OR

the members.

6. (The following statement is adopted by marking the box.)

There is at least one member of the limited liability company.

7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

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<i>(Last)</i>	<i>(First)</i>	<i>(Middle)</i>	<i>(Suffix)</i>
<u>PO Box 1028</u>			
<i>(Street number and name or Post Office Box information)</i>			
<hr/>			
<u>Ouray</u>	<u>CO</u>	<u>81427</u>	
<i>(City)</i>	<i>(State)</i>	<i>(ZIP/Postal Code)</i>	
<u>United States</u>			
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Articles of Organization

filed pursuant to § 7-90-301 and § 7-80-204 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name of the limited liability company is

RED MOUNTAIN TRUST, LLC

(The name of a limited liability company must contain the term or abbreviation "limited liability company", "Ltd. liability company", "limited liability co.", "Ltd. liability co.", "limited", "l.l.c.", "llc", or "Ltd.". See §7-90-601, C.R.S.)

(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the limited liability company's initial principal office is

Street address

19911 Highway 550

(Street number and name)

Montrose

(City)

CO

(State)

81403

(ZIP/Postal Code)

United States

(Country)

(Province – if applicable)

Mailing address

(leave blank if same as street address)

(Street number and name or Post Office Box information)

(City)

(State)

(ZIP/Postal Code)

(Province – if applicable)

(Country)

3. The registered agent name and registered agent address of the limited liability company's initial registered agent are

Name

(if an individual)

Doose

(Last)

Eli

(First)

(Middle)

(Suffix)

or

(if an entity)

(Caution: Do not provide both an individual and an entity name.)

Street address

19911 Highway 550

(Street number and name)

Montrose

(City)

CO

(State)

81403

(ZIP Code)

Mailing address

(leave blank if same as street address)

(Street number and name or Post Office Box information)

(City) CO _____
(State) (ZIP Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent has consented to being so appointed.

4. The true name and mailing address of the person forming the limited liability company are

Name
(if an individual) Doose Eli
(Last) (First) (Middle) (Suffix)

or

(if an entity)
(Caution: Do not provide both an individual and an entity name.)

Mailing address 19911 Highway 550
(Street number and name or Post Office Box information)

Montrose CO 81403
(City) (State) (ZIP/Postal Code)
United States
(Province – if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The limited liability company has one or more additional persons forming the limited liability company and the name and mailing address of each such person are stated in an attachment.

5. The management of the limited liability company is vested in

(Mark the applicable box.)

one or more managers.

or

the members.

6. (The following statement is adopted by marking the box.)

There is at least one member of the limited liability company.

7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

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<u>Alpine Bank Bldg 917 Main St 2nd Fl</u>			
<i>(Street number and name or Post Office Box information)</i>			
<u>PO Box 646</u>			
<u>Ouray</u>	<u>CO</u>	<u>81427-0646</u>	
<i>(City)</i>	<i>(State)</i>	<i>(ZIP/Postal Code)</i>	
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Statement of Change
Changing the Registered Agent Information

filed pursuant to § 7-90-305.5 and § 7-90-702 of the Colorado Revised Statutes (C.R.S.)

1. The entity ID number and the entity name, or, if the entity does not have an entity name, the true name are

Entity ID number 20191116735
(Colorado Secretary of State ID number)
Entity name or True name RED MOUNTAIN TRUST, LLC

2. (If applicable, adopt the following statement by marking the box and enter all changes.)

The registered agent name has changed.

Such name, as changed, is

Name
(if an individual) _____
(Last) (First) (Middle) (Suffix)
or
(if an entity) Hockersmith & Whitmore, LLC
(Caution: Do not provide both an individual and an entity name.)

(The following statement is adopted by marking the box.)

The person appointed as registered agent has consented to being so appointed.

3. (If applicable, adopt the following statement by marking the box and enter all changes.)

The registered agent address of the registered agent has changed.

Such address, as changed, is

Street address 917 Main Street
(Street number and name)
2nd Floor
Ouray CO 81427
(City) (State) (ZIP Code)
Mailing address PO Box 646
(Street number and name or Post Office Box information)
Ouray CO 81427-0646
(City) (State) (ZIP Code)

4. (If applicable, adopt the following statement by marking the box.)

The person appointed as registered agent has delivered notice of the change to the entity.

5. (If applicable, adopt the following statement by marking the box and include an attachment.)

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(Last)	(First)	(Middle)	(Suffix)
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(Street number and name or Post Office Box information)			
<u>PO Box 646</u>			
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