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Department of Environment and Natural Resources
Minerals and Mining Program
Joe Foss Building
523 East Capitol Avenue
Pierre, South Dakota 57501-3182
Telephone: (605) 773-4201 Fax: (605) 773-5286

MINERALS & MINING PROGRAM

APPLICATION FOR
SMALL SCALE MINING PERMIT

Pursuant to SDCL 45-6B:
Relating to Mineral Extraction in
Operations Affecting Less Than
10 Acres Per Year & Removing
Less Than 25,000 Tons Per Year

Operator's Name: Stuart W Goldsmith

Mailing address:

2404 Foothills Blvd - Apt 102
Gillette, WY 82716-2489

Telephone:
(307) 685-6410

Physical address:

2404 Foothills Blvd - Apt 102
Gillette, WY 82716-2489

Telephone:
(307) 685-6410

Fax:

Name and address of surface owner: (Enter additional owners on last page)

United States Department of Agriculture
U.S. Forest Service (Northern Hills)
2014 North Main
Spearfish, SD 57783

Name and address of mineral owner: (Enter additional owners on last page)

Stuart W Goldsmith
2404 Foothills Blvd - Apt 102
Gillette, WY 82716-2489

Legal description of affected land:

E 1/2 of SE 1/4 of NW 1/4 Sec 28 T2N R4E

Name and address of operator's resident agent (if operator is an out-of-state corporation):

County: Pennington

Minerals to be mined:

Gold (Au)

Proposed starting date:

01 May 2013

Size of affected land (acres):

34840 sq. ft. (.79 acre)

Proposed completion date:

01 September 2023

Estimated acres disturbed per year:

728 sq. ft. (.01671 acre)

Estimated working days per year:

45

Estimated tonnage mined per year: 2/3

Estimated duration of operation (years): 10

Estimated tons of ore per year: 1/4 to 1/2

Reclamation type:

Overburden/waste tons per year: 2/3

Rangeland

INSTRUCTIONS (Reference SDCL 45-6B)

This application must be accompanied by:

1. A narrative description of the type of mining operation proposed and how it will be conducted pursuant to Section 54 (7). This should include a description of the initial work to develop the operation and a description of the workings during the operation.
2. A narrative description of the measures to be taken to comply with the operating and reclamation requirements of SDCL 45-6B-37 through 45-6B-46 pursuant to Section 54 (9).
3. A map showing information sufficient to locate the affected land, including existing and proposed roads or access routes to be used in connection with the mining pursuant to Section 54 (5).
4. A wildlife survey pursuant to Section 54 (8).
5. A fee of \$100.00 pursuant to Section 55.
6. A list of the names and addresses of the land-owners of the affected land.

Before a hearing on the permit may be conducted by the SD Board of Minerals and Environment, the applicant must submit the following materials:

1. Certified mail receipts confirming mailing of notice to all surface owners and lessees pursuant to Section 17.
2. A copy of the affidavit of publication of notice pursuant to Section 16.
3. Proof of filing a copy of the application with the Register of Deeds pursuant to Section 15.
4. A surety in an amount to be determined by the department pursuant to Section 20 and 55.
5. A copy of instruments of consultation from all surface landowners, if different than the owner of the minerals, including written receipt of the operating and reclamation plans pursuant to Section 12 and 13.

STATE OF Wyoming

COUNTY OF Campbell

On this 29th day of November

20 12, before me personally appeared

STUART W. Goldsmith who

acknowledged himself to be the CLAIMANT
(Title)

for STUART W. Goldsmith and that
(Operator)

he is authorized to execute the Application for Small Scale Mining Permit for the purposes contained therein.

Annmarie Paul
Notary Public

My Commission Expires January 27, 2016

SEAL 

Applicant hereby affirms that the mining will be conducted pursuant to SDCL 45-6B, or any regulations promulgated thereunder; that he will grant access to the Board of Minerals and Environment or its agents to the area under application from the date of the application and during the life of the permit as is necessary to assure compliance with SDCL 45-6B.

I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

Stuart W. Goldsmith
Signature

CLAIMANT
Title

11-29-12
Date

FOR DEPARTMENT USE ONLY

DATE APPROVED: _____ BOND AMOUNT: _____ PERMIT NUMBER: _____
Chairman, SD Board of Minerals & Environment

APPLICATION FOR SMALL SCALE MINE PERMIT (AMENDED)

10 November 2012

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MINERALS & MINING PROGRAM

GENERAL DESCRIPTION OF THE TYPE OF MINING OPERATION PROPOSED AND HOW IT WOULD BE CONDUCTED.

SDCL 45-6B-32 (1) and (4): I have contacted Scott Yeoman of Dave Schmidt Insurance, 2834 Jackson Blvd, Suite 101, Rapid City, SD (605) 342-5435, to secure a Surety Bond in the amount of \$ 2500.00. Will submit same upon receipt.

There are no buildings or structures within 200 feet of proposed mine site. Mickleson Bike Trail parallels the north perimeter of mine site. No mining will be conducted within 30 feet of the bike trail. Forest Service Road N231 (Rochford Road) is on the north side of the bike trail. I have contacted Mandi Schmierer of the Pennington County Planning and Zoning Office. No permit is required, therefore, I will not be in violation of Pennington County regulations. A memo of 9 November 2012 has been with entered into my file to verify all procedures have been in compliance with SDCL 45-6B-32 (5)

SDCL 45-6B-37, ARSD 74:29:07:03, and AARSD 74:29:07:03 and AARSD 74:29:07:04 (1 through 7). Please refer to Site Plan, Level One is generally level. No slopes to the north of Level One area will be mined. Level Two will not be mined. Level Two will be utilized as camping and parking area for utility trailer and vehicles. Level Three is level and will not be mined within 30 feet of Mickelson Bike Trail. Grading and reclamation will follow current topography. Erosion and sedimentation will be prevented by constructing containment berms and a silt fence between the pit and Rapid Creek.

SDCL 45-6B-39, ARSD 74:29:02:10 and ARSE 74:29:07:06: A signed letter from the Pennington County NRCS office approving the seed mixture is enclosed. Vegetative species and composition will be appropriate for postmining land use. Wildlife habitat is included as a postmining land use. Seeding will be applied at a rate of 20 lbs. per acre. No manmade materials will be used as fill. Top soil is approximately 52" in depth. There is sufficient topsoil to complete total reclamation.

SDCL 45-6B-40 and ARSD 74:29:07:07: Top soil and overburden shall be removed, segregated, and preserved in separate piles. See Site Plan. Top soil will be sloped at 3:1 and seeded to preserve quality. Reclamation will proceed a quickly as feasible. The topsoil will be protected from erosion and sufficient topsoil will be available for final reclamation. No additional topsoil will be required to complete reclamation. Topsoil stockpiles will be clearly marked with signs. i.e. "Top Soil – Do not Disturb". No trees or waste material will be included in overburden or topsoil.

SDCL 45-6B-41, ARSD 74:29:02:11 and ARSD 74:29:07:08 (1 through 4): As noted in the USFS Plan of Operations, the Multi-Quip pump is rated at 106 gpm, that is the maximum output. However, to operate the power sluice will require approximately 32 gpm to operate properly. I contacted Mr. Eric Gronlund (Water Rights Permits) in regard to a Water Permit. He stated no permit was required, if I used 18 gpm or less from Rapid Creek. He confirmed this statement and the requirements to Ms. Roberta Hudson of DENR. I will obtain a 500/1000 gallon water storage tank to supplement the requirements of additional water needed to operate the power sluice.

Section 10: All petroleum will be stored in five gallon steel safety cans. All fueling will be done at Level Two only. Spills will be cleaned up using appropriate materials (Clay-Coconut fibers, etc). and removed from the mine site. The surface of Level Two is composed of bedrock and a light gravel covering.

Section 11: Ore bearing (overburden) material will be classified to a 3/8" concentrate. The ore bearing material will be processed at a rate of approximately 1/4 ton every two (2) to three (3) days, requiring approximately 1/2 to 3/4 of an hour. Utilizing nine hundred sixty (960) to fourteen hundred forty (1440) gallons of water. The Multi-Quip Pump will suction water from Rapid Creek, the suction hose will be equipped with a strainer with a flow back prevention valve.

SDCL 45-6B-43 and ARSD 74:29:07:15: A Noxious Weed Control Plan approved through the Pennington County Weed Board has been submitted to the US Forest Service for their approval. Letter of approval will be forwarded upon receipt.

SDCL 45-6B-45, ARSD 74:29:07:18 through 74:29:07:26 and ARSD 74:29:06:02: The postmine land use for the proposed mining area will be designated as Rangeland. Upon completion of reclamation affected land will not exceed three to one slopes. Grazing should not become a factor since cattle occupy the area only during the summer. The areas disturbed will be no larger than one-quarter (1/4) acre at any given time in the mining process. Upon completion of reclamation the area will be fenced in the interim to preclude livestock and wildlife from impairing the establishment of vegetation.

I have twenty three (23) years of experience in open pit mining. I am presently employed as a Pit Production Technician with Peabody Energy. Previously, I was employed by AMAX Coal Company at the Belle Ayr and Eagle Butte Mines. During my tenure with AMAX, I was assigned the duties of reclamation, with topsoil removal, overburden removal and extraction of coal. Tasks accomplished included the restoration of backfill, grading, replacement of topsoil and vegetation. Monitoring of air quality and pit de-watering was also conducted. Erosion control was a part of the reclamation plan. I was the supervisor of the Drilling and Blasting crew for three and one-half years (3 1/2).

SDCL 45-6B-46: Reclamation will be performed concurrently with mining. All reclamation will be completed within ninety (90) days of cessation of mining.

SDCL 45-6B-54(5): The proposed permit boundary is indicated by the line drawn from NE, SE, SW and NW. Dimensions are indicated. Level One Topsoil area is approximately 16' x 20', Overburden area is approximately 20' x 34', Processing area is approximately 20' x 30'. The pit shown on the map will be mined in phases. Only one pit will be utilized. The area proposed for mining on Level Three has been designated on amended Site Plan. Level Three mining will commence only after the completion of reclamation on Level One. Level Three Overburden stockpile dimensions are approximately 18' x 24' and Topsoil stockpile dimensions are approximately 14' x 16'.

SDCL 45-6B-55: An estimate of the costs to reclaim areas affected by the mining operation is as follows: Direct Costs: Equipment mobilization – 352.00, Block access road into mine – 144.69, Backfill/recontour pit – 209.40, Rip compacted areas – 96.43, Spread topsoil – 244.74, Seeding – 57.75, Weed Treatment – 57.75, Total Direct Costs: 1162.75. Indirect Costs: Contingencies –

116.27, Engineering Redesign – 58.14, FS Minerals Administrator – 1 day @ 230.00, FS Contractor Administration 1 day @ 250.00, Indirect Total: 654.41.

SDCL 45-6B-91: Reclamation will be considered successful when the site meets the following reclamation performance standards: a. Completion of pit backfills. b. Reclamation of access road. c. Establishment of a slope of 3:1 or less on all disturbed areas with exception of solid rock high walls. d. Placement of topsoil or other growth medium on all disturbed areas. e. Establishment of a self-sustaining vegetative cover on areas covered with topsoil. f. Removal of all mining equipment, supplies, and solid waste. g. The U.S. Forest Service will conduct a final inspection and evaluation after all mining and reclamation has ceased.

SDCL 45-6B-92: A Wildlife Survey SENW Section 28 T2N R4E, Pennington County, SD has been conducted by the Department of Game, Fish and Parks. This wildlife review takes into consideration the potential effects to Threatened and Endangered Species, Region 2 Sensitive Species, Management Indicator Species, and Species of Local Concern. Historic mining activity occurs within the boundaries of the Lazy Beaver Claim and along much of Rapid Creek. The proposed activity would occur within Management Areas 5.1 and the East Rapid Cattle Grazing Allotment. The Mickelson Trail runs through the claim and receives a high volume of use including hiking, biking and running. Recreational fishing is also common in Rapid Creek. It is determined that no currently listed species with T,E,P,C, or XN status have the potential to occur within the NHRD, nor has “critical habitat” been designated in the Black Hills. Therefore, no federally listed species are addressed further in the document and there will be “no effect” to threatened, endangered or candidate species and “no adverse modifications” on critical habitat. Rapid Creek is identified as a coldwater permanent fish life propagation water and no activities will occur during the dates of October 15th to April 1st to protect fish spawning. The proposed project would have “No impact” on all other Region 2 SS. For MIS and SOLC fish and wildlife species, the proposed activities are not likely to impact populations.

ARSD 74:29:07:01: All reclamation will be concurrent, and the affected land will be rehabilitated into rangeland. All reclamation will be completed prior to final and full bond release.

ARSD 74:29:07:02: (1) See Site Plan. All equipment, living quarters and access will be within Level Two, thereby minimizing disturbances by equipment and vehicles. (2) The initial pit operation will commence on (Level One) and the pit will be 26’ x 28’, mining will be minimized to small sections and reclamation will be concurrent. All mining operations and reclamation will be completed in Level One before any mining activity will commence in Level Three. (3) Visual screening will not be feasible, however, level one is approximately 19’ below Rochford Road and the Mickelson Bike Trail, therefore minimizing visibility of the public view (4) Level One pit is 35’ from Rapid Creek and a containment berm and silt fence will be constructed to prevent any water from entering Rapid Creek. (5) Public access will be conducted in accordance with the approved Plan of Operation by the US Forest Service letter of 22 October 2012, B. Operating Conditions, Paragraph 3. “Public safety is a vital concern. Commercially manufactured signs reading “DANGER MINING AREA” and similar messages to notify the public of dangers present, shall be placed as specified by the District Ranger.” All signs have been posted. (6) Preventive measures to minimize harmful impact to wildlife have been implemented to include but not limited to Steel Safety Cans for fuels, no use of chemicals, and fencing around excavation (pit). (7) No waste dumps will be utilized, all refuse will be stored in garbage containers and removed from site as needed. Spoil piles and topsoil will be stockpiled as indicated on Site Plan.

Topsoil stockpile will be seeded and bermed to minimize any environmental impact. (8) All mine waste will be removed as accumulated. All equipment will be serviced and repaired off site. (9) Areas to be disturbed as indicated on Site Plan will be minimal and reclamation will be concurrent. Reclamation will be compatible with surrounding area (Rangeland) when mining activities are completed.

ARSD 74:29:07:10 and 74:29:07:08(6): At the present time there is no need to divert surface runoff around the proposed mining operation. All undisturbed areas are well seeded and no visible erosion has occurred. Disturbed areas will be bermed and erosion will be prevented and contained as necessary. No chemicals or toxic materials will be used in the proposed operation.

ARSD 74:29:07:10 and 74:29:07:08(5): There are no plans to divert any portion of Rapid Creek.

ARSD 74:29:07:14: Please see Site Plan. Topsoil and overburden stockpiles will not be located in any area to block any of the perennial or intermittent streams. No waste material will contain any source for water pollution, and no permanent waste piles will remain after final reclamation.

ARSD 74:29:07:16: All precautions and/or measures to contain or minimize subsidence damage will be utilized. No chemicals or toxic pollutants are to be used. The site will be free of waste at all times. No hazards to livestock, wildlife or humans will be constructed or utilized. The operations pit will be fenced and signs have been posted.

ARSD 74:29:08:02: Interim reclamation is planned during the mining operation. Topsoil stockpiles will be contoured 3:1 and seeded. Noxious weeds will be controlled.

SDCL 45-6B-42: A letter dated 10 November 2012 has been sent to Hilliare Jackson of the US Forest Service requesting clarification and approval of the signs posted as required in the Plan of Operations. Letter will be forwarded upon receipt. I have enclosed a color map of the proposed mining area.

SDCL 45-6B-20: I hereby acknowledge the requirement of a \$2500.00 reclamation bond. I have contacted Scott Yeoman of Dave Schmidt Insurance to secure a Surety Bond for same.

ARSD 74:29:03:16: I have read the provisions of the statute and have no request for revisions at present.

ARSD 74:29:06:01: I have enclosed a revised application for small scale mining permit. The reclamation type selected is Rangeland.

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Pennington Conservation District
414 E Stumer Rd Ste #300
Rapid City, SD 57701

September 11, 2012

To Whom it May Concern:

The Pennington Conservation District approved the application for a Small Scale Mining Permit to the Department of Environment and Natural Resources. Also approved the grass mixture for reclamation. This information was entered in the September 6, 2012 regular district meeting.

The location and legal description is as follows, Exhibit A – Rochford Quadrangle, South Dakota, Pennington County, Lazy Beaver Claim MMC221588, E ½ of SE ¼ of NW ¼ of Sec 28 T2N R4E

Pennington Conservation District
Roberta Vaughn, Admin Secretary

I approve the grass seeding mixture.

Matthew Odden

Matthew Odden

USDA-NRCS Pennington Co. District Conservationist

Subject: Small Scale Mine Permit – Pennington County P&Z
From: Hudson, Roberta (Roberta.Hudson@state.sd.us)
To: stu_de_baker@yahoo.com;
Date: Friday, November 9, 2012 2:33 PM

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Mr. Goldsmith,

I have contacted the Pennington County Planning and Zoning Office and the email from them about the mine permit. The attached file is a memo I have entered into your file to verify that we contacted the Pennington County Planning and Zoning Office to verify you did not need a permit through them. This information will have to be included in any information you file with the Pennington County Register of Deeds so you will need to print the attachment off and include it in your paperwork. When addressing it in your response to us just refer to the file memo dated November 9, 2012.

If you have any more questions please feel free to contact me!

Thank you!

Roberta Hudson

Natural Resources Project Engineer

Minerals and Mining Program

MINE CONTACT REPORT FORM

Date of Call: _____ Date of E-mail: 11/8/12
 Telephone call to: _____ DENR Employee Contacted: Roberta Hudson
 Operator Contacted: Mandi Schmierer
 Company: Pennington County Planning and Zoning
 Telephone: _____
 Staff Signature: Roberta Hudson

On November 9, 2012 Stuart Goldsmith contacted me in regards to obtaining a letter from the Pennington County Planning and Zoning Office that his proposed operation would not need a mining permit through the county. When he had contacted them requesting a letter stating as such they responded through email. He then contacted me and I contacted the county in order to have them state the same in an email to me to cover the requirements of SDCL 45-6B-4. Both Stuart Goldsmith and I dealt with Mandi Schmierer in the Pennington County Planning and Zoning Office. Below are Stuart Goldsmith's email to the Pennington County Planning and Zoning Office and the email to me to verify that Mr. Goldsmith would not need a mining permit through the state.

From: Schmierer Mandi [mailto:mandis@co.pennington.sd.us]
Sent: Friday, November 09, 2012 11:12 AM
To: Hudson, Roberta
Subject: Stuart Goldsmith

Hi Roberta.

Stuart Goldsmith recently contacted our office inquiring about the process required to obtain a Mining Permit. The legal description provided by Mr. Goldsmith (E1/2 of SE 1/4 of NW 1/4 Sec 28 T2N R4E) for the proposed small scale mining operation is to occur on lands managed by the Forest Service. Pennington County has no jurisdiction over property owned and managed by the National Forest Service, therefore, we have no authority to require that a Mining Permit be obtained for the proposed mining work. However, I would encourage Mr. Goldsmith to implement Best Management Practices (i.e. erosion control measures) to ensure the disturbed soil does not run off and impact the surrounding landowners. Furthermore, I would also suggest the disturbed areas be re-vegetated.

If you need further assistance, please let me know.

Thank you.
 Mandi

From: Stuart Goldsmith [mailto:stu_de_baker@yahoo.com]
Sent: Friday, November 09, 2012 8:21 AM
To: Schmierer Mandi
Subject: Small Scale Mining Permit

Dear Mandi

In reference to our telephone conversation of this morning, 11/10/12. The description of the proposed mining operation is as follows:

Lazy Beaver Mine, MMC 221588,

Legal description, E1/2 of SE 1/4 of NW 1/4 Sec 28 T2N R4E.

I request a letter stating that No Mine Permit is required and that I would be in compliance with Pennington County regulations pertaining to small scale mining.

Please feel free to contact me if you have any questions.

Thanking you in advance, I remain

Respectfully yours,

Stuart W Goldsmith
2404 Foothills Blvd - Apt 102
Gillette, WY 82716-2489
(307) 685-6410
Stu de Baker@Yahoo.com

LAZY BEAVER MINE

E 1/2 of SE 1/4 of NW 1/4 Sec 28 T2N R4E
Pennington County, South Dakota

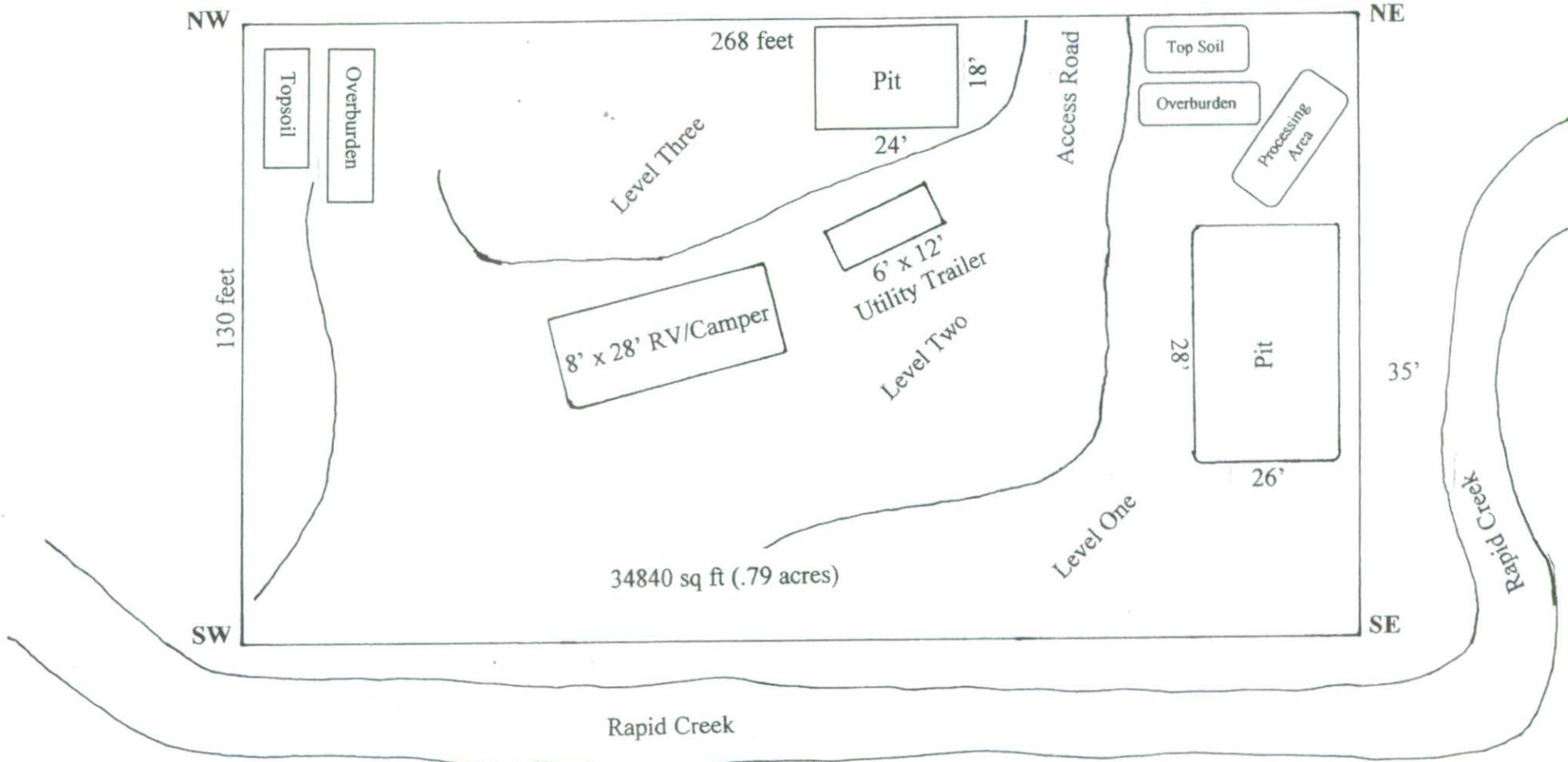
SITE PLAN (AMENDED)

10 November 2012

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N 231 Rochford Road

Mickelson Bike Trail



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To see all the details that are visible on the screen, use the "Print" link next to the map.



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