



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
UPPER PENINSULA DISTRICT OFFICE



C. HEIDI GRETHER
DIRECTOR

April 20, 2018

VIA E-MAIL

Mr. Tom Repaal, Sr. Environmental Engineer
Copperwood Resources, Inc.
310 East Highway 2
Wakefield, Michigan 49968

Dear Mr. Repaal:

SUBJECT: Copperwood Mine - Mining Permit Application Amendment Request March 2018
MP 01 2012

The Department of Environmental Quality (DEQ), Oil, Gas, and Minerals Division (OGMD), has determined that the Copperwood Resources Inc's (Copperwood) request to amend MP 01 2012, received by the DEQ Upper Peninsula District Office on March 22, 2018, constitutes a significant change from the conditions of the approved mine permit. While the proposed changes may appear to be slight modifications of the previously approved Copperwood Mine, this determination was deemed to be necessary to fully assess the validity of the existing permit conditions and environmental impact assessment as they pertain to the proposed changes.

The Mining Permit Application Amendment, Volume I, Section 10, includes a request for full release of the financial assurance instrument upon documentation of completion of reclamation, specifically reclamation of the tailings disposal facility (TDF), mine site, and processing facility. This reclamation is estimated to take about six years to complete. Final release of the financial assurance instrument cannot be approved prior to termination of the postclosure monitoring period. The following are references to the statute and rules of Part 632, Nonferrous Metallic Mineral Mining, of the Natural Resources and Environmental Protection Act, Act 451 of 1994, as amended (Part 632) that are applicable to final release of financial assurance:

- Section 63211 of Part 632 requires an operator to maintain financial assurance during mining operations until the department determines that all reclamation has been completed and for a postclosure monitoring period. The postclosure monitoring period is required to be 20 years following cessation of mining, which may be extended or shortened subject to the conditions specified in Section 63209 (6) of Part 632.
- R425.309 of Part 632 allows for the permittee to file an application with the department for final release of financial assurance upon termination of the permit.

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Section 63207 (6) (c) of Part 632, states that the DEQ may proceed to submit the request for a significant amendment to the same review process as provided for a new permit application. In respect to this determination, a permit application fee of \$5,000 is required to complete the application for amendment. The DEQ will proceed with the technical review and plans to hold a public meeting regarding the request for amendment once the application fee is received. Please send a check made out to the State of Michigan to the following address, indicating that it is a Part 632 Mining Permit Application for Amendment/OGMD, MiCars hotkey "NM":

MDEQ Cashiers Office,
P.O. Box 30657
Lansing, MI 48909

Thank you for your attention in this regard. If you have any questions, please feel free to contact either me at the telephone number listed below or by e-mail at humphreym@michigan.gov, or Mr. Joe Maki at 906-250-4015, makij@michigan.gov.

Sincerely,



Melanie Humphrey
Oil, Gas, and Minerals Division
Upper Peninsula District Office
906-250-7564

MH:TC

cc: Mr. Harold Fitch, DEQ
Mr. Rick Henderson, DEQ
Mr. Adam Wygant, DEQ
Mr. Steve Casey, DEQ
Mr. Joe Maki, DEQ
File: Copperwood, CM9