



September 1, 2016

Crevice Mining Group
Attn: Dr. Michael A. Werner, Managing Partner
614 South 8th Street (P.O. Box 487)
Livingston, MT 59047

RE: Review of Crevice Mining Project proposed exploration project

Dear Dr. Werner:

Attached are DEQ's completeness review comments on Crevice Mining Group's (CMG) Exploration Proposal on private lands in Park County, Montana. These are the result of an extensive review of your submittal by Bureau Staff. Additional detail and clarification will be needed on these issues in order to continue processing your Exploration License application.

DEQ asked the USFS Custer Gallatin National Forest (CGNF) to review the proposed project because of the potential to impact the surrounding national forest. The CGNF surrounds the project area and manages small inholdings within the private property boundary. The CGNF's concerns regarding the proposed project focused on potential direct/indirect and cumulative impacts to adjoining Forest Service-managed resources and the need to require more detail to fully understand those impacts. DEQ believes that the concerns expressed by the CGNF are valid and has incorporated those concerns into DEQ's deficiency review.

Following is a summary of the major issues identified by DEQ which will require the submittal of additional information before an environmental analysis of the exploration project as currently proposed can be conducted.

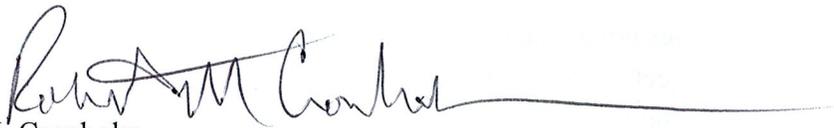
- The Plan of Operations does not adequately describe all surface disturbances that would be associated with the project, including the dimensions and locations of new, improved, or widened access roads, and the locations and dimensions of water diversion and retention structures.
- The Plan of Operations generally commits to geochemical testing of material excavated and placed in either waste rock dumps or on road surfaces during development of the

exploration adit. However, analysis of potential environmental impacts of the project under MEPA necessitates that sufficient geochemical data must be gathered and submitted to DEQ prior to our analysis and potential authorization of the project.

- CMG has not provided adequate hydrologic data or water quality data required to characterize baseline conditions in the project area, or to estimate potential impacts of the project to water resources. Installation of monitoring wells and subsequent collection of data describing groundwater quality, quantity, and elevations will be required, as will the collection of surface water quality and flow information at appropriate locations that could be impacted by the project.
- Additional details of water management and treatment plans are necessary. The Plan of Operations does not provide adequate information to document that proposed water retention facilities are adequately sized to retain runoff from the project area and also to retain groundwater pumped from the exploration adit, prior to treatment and disposal of that water.
- CMG's application commits only to discharging water, either to a land application area or drain field, in compliance with applicable water quality criteria. However, the application does not provide adequate documentation of predicted water chemistry from site runoff, seepage, or water collected in underground sumps, nor does it indicate what water treatment processes/facilities, if any, would be necessary to achieve discharge criteria.
- There appears to be a substantial materials balance discrepancy between the described dimensions and map-depicted locations of underground workings versus the stated extent of the workings and the proposed capacities of waste rock disposal areas.
- Baseline data collection plans for geochemistry, hydrogeology, surface water resources, and other potentially affected resources need to be submitted to DEQ for review and approval, and data collected and submitted to DEQ for analysis, before underground development can proceed.
- Detailed operational resource monitoring and verification programs also need to be included in the Plan of Operations.

Feel free to call me at 406-444-4330 if you have any questions.

Sincerely,



Robert M. Cronholm
Small Miner and Exploration Specialist

Enclosure – Crevice DEQ HRMB Comments