

(Make reference to the modified MRPO submitted to BLM on 6/2/17)..base document.

To address number 1 requested modification (BLM letter 6/19/17) of the MRPO, I recommend the following:

Modify section 2.2. Mine Activities should read as follows:

The total mine and reclamation area is approximately 76 acres (Figure 8a). This constitutes the current area of known reserves (Brost 2016). The total expected output of the mine is estimated to be 20.9 million tons in a 40-year period. The KMC production rate for high quality natural pozzolan will be determined by market demand. The best available, current market information indicates a current and growing demand for high quality natural pozzolan. Estimates of future consumption by the U.S. Geological Survey, producer groups, and construction forecasts support projections, especially for the displacement supply of fly ash. **This data indicates** ~~Make for~~ a continual and long-lasting market for use of high quality natural pozzolan in cement and concrete.

Most of the material in the proposed pit area will be removed and sold as high quality natural pozzolan. KMC anticipates that approximately 95% of the material will be sold and about 5% will be left as waste. Thus, very little material would be left as fill to backfill the pit. The minimal overburden on top of the deposit, the waste material left over from mining, and slope material removed from high wall benches during reclamation (see section 3. Reclamation Plan) eventually will be pushed into the pit. The lower slopes in the reclaimed pit and the pit bottom will be covered with waste material and rock from the reclaimed slopes. Thus, the reasonable approach to mining is to leave a reclaimed basin. As outlined in the Reclamation Plan (section 3), the pit will be left in a safe and stable condition that will support regrowth of vegetation and wildlife habitat.

The reclaimed pit will be left as a basin with 3:1 slopes and a relatively flat floor. Loosely consolidated rock will cover the lower slopes and the basin bottom. The loosely consolidated material will promote water infiltration and support plant growth, and the flat floor will enhance evaporation. Based on the analysis of storm water information provided in section 2.2.2., Water Management Facilities, KMC does not anticipate that a lake would form in the basin **from surface runoff**. In the event of a series of very unusual storms, standing water in the pit bottom would be ephemeral only.

KMC also does not anticipate seepage of groundwater into the pit during mining nor formation of a lake from groundwater seepage in the bottom of the reclaimed pit after mining ceases at the end of the projected 40-year mine life. Two development drill holes in the west-central part of the proposed mine area, drilled from a ground elevation of approximately 3,968 and 3,965 feet above mean sea level, achieved bottom hole elevations of approximately 3,868 and 3,875 feet respectively and encountered no ground water. Ground water levels in wells and springs surrounding the proposed mine area will be periodically monitored during mining, however, to see if aquifer water levels rise before the mining occurs below a depth of 3,960 feet (the current surface elevation of the west-central part of the mine area immediately north of the stockpile). KMC intends to mine dry product above the ground water table, and, based on current information, anticipates eventually mining to an elevation of 3,870 feet. If ground water levels rise and data show that water may seep to the pit, the projected mine depth will be adjusted. Monitoring of the trends in ground water levels while mining progresses will provide information to adjust the final pit bottom elevation during reclamation (see section 3 Reclamation Plan) so the pit bottom is filled to a level above the static ground water table.

KMC does not anticipate that mining will impact the quality of the surface or groundwater in the area. No chemicals will be used in the mining and crushing operation. The deposit does not contain sulfides

or any other acid generating materials that would affect the acidity of the natural waters nor does it contain deleterious substances that will be mobilized during mining and crushing.