



9075 WCR 10 \* Fort Lupton, CO 80621  
PHONE: 303-857-1754  
FAX: 303-857-2933  
www.nccconstructors.com

January 8, 2014

RECEIVED

United Power, Inc.  
Attn: Monica Hanson  
500 Cooperative Way, Brighton, CO 80603  
PO Box 929, Brighton, CO 80601

FEB 18 2014  
Division of Reclamation,  
Mining & Safety

Re: Agreement for Compensation for Damage to Structures within 200 feet of  
mining activities

To Whom It May Concern:

Northern Colorado Constructors, Inc. has a State of Colorado Division of Reclamation, Mining, and Safety (DRMS) Reclamation Permit M1990-098 to allow sand and gravel mining on property within 200 feet of structures located on your property. The Colorado Mined Land Reclamation Act provides protection for your property, and specific protection for your structures located within 200 feet of the mining activities.

DRMS Permit requires a notarized agreement between the permit holder and owners of structures within 200 feet, providing compensation for any damage to the structure; or preparation of an engineering evaluation acceptable to the DRMS, demonstrating that such structures shall not be damaged by the mining activities if an agreement cannot be reached.

Northern Colorado Constructors, Inc. has had an engineering evaluation performed to determine acceptable setbacks from their proposed mining permit boundary and mining limit to structures adjacent to the mining. The proposed mining slopes and setbacks were analyzed using the XSTABL v5.105a computer program. XSTABL was designed to analyze the slope stability of earth embankments subjected to several critical situations that may occur during the life of the embankment. The procedure searches for circular shear failures and automatically searches for the lowest safety factor. 2,000 separate failure surfaces were analyzed for each case. The required minimum safety factors are based on the current standards used by the Colorado State Engineer's Office (SEO) for high hazard embankment dams, and industry accepted standards for the evaluation of embankments during construction. The safety factors attained using the setbacks shown on the attached Mining Plan are greater than the required safety factors specified by the SEO for an earth embankment during construction, and an earth embankment subjected to earthquake loading, based on the United States Geological Survey earthquake peak acceleration factors for the area. This evaluation indicates that damage to structures

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RE: Agreement for Compensation for Damage to Structures within 200 feet of mining activities

- 2 -

adjacent to the mining should not occur, even during earthquake conditions, which are very unlikely to be present.

With this letter, Northern Colorado Constructors, Inc. requests your authorization to conduct mining and reclamation activities within 200 feet of the structures located on your property. In return for this authorization, Northern Colorado Constructors, Inc. agrees to provide fair compensation for any damage to your structure(s) resulting from its mining and reclamation activities. Your notarized signature below grants permission for Northern Colorado Constructors, Inc. to conduct mining and reclamation activities within 200 feet of your structure(s), and acknowledges Northern Colorado Constructors, Inc.'s commitment to provide compensation for any damages to said structure(s) caused by Northern Colorado Constructors, Inc.'s mining and reclamation activities.

If you provide authorization to conduct mining and reclamation activities with 200 feet of your utility DRMS also requires a notarized letter, on utility letterhead, from the owner(s) of the utility. Per Rule 6.4.19 of the DRMS 112 Construction Materials rules and regulations the letter should state that the mining and reclamation activities as proposed will have "no negative effect" on your utility/street at Balsam Avenue.

Sincerely,

Chris Zadel  
Chris Zadel  
Northern Colorado Constructors, Inc.

1/8/14  
Date

[Signature]  
Property or Utility Owner

1/30/2014  
Date

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of JANUARY, 2014 by,

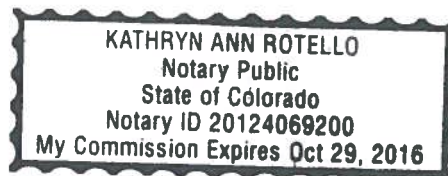
Dean Hubbeck, as Manager of Eng & Rates  
Kathryn Ann Rotello  
Notary Public

My Commission Expires: 10/29/2016

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Mining & Safety





NORTHERN COLORADO CONSTRUCTORS, INC.

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FAX: 303-857-2933

TRANSMITTAL

RECEIVED

FEB 18 2014

TO: Colorado Division of Reclamation Mining & Safety  
1313 Sherman St  
Room 215  
Denver, CO 80203  
Attn: Peter Hays

Project: Perry Pit  
Project No:  
Date: 1/10/2014  
RE: Permitting and Documents

Division of Reclamation,  
Mining & Safety

We Transmit:

Fax To:

Via Cover:

☒ Mail

Hand Delivered

Other

Total Pages Faxed: \_\_\_\_\_

NO.  
COPIES

Description

1

Structure Agreement with United Power

Copies To:

File:

By:

Chad Linker

Northern Colorado Constructors Inc.