STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY Department of Natural Resources

1313 Sherman St., Room 215 Denver, Colorado 80203 Phone: (303) 866-3567 FAX: (303) 832-8106 COLORADO DIVISION OF RECLAMATION MINING <u>—&</u> SAFETY

John W. Hickenlooper

Executive Director

Loretta Piñeda

Governor

Mike King

Director

March 7, 2014

Walter Brown Brown & Wills, LLP 801 Colorado Avenue Glenwood Springs, CO 81601

RE: White Banks Mine, Permit No. M-1999-042, Notice of Board Hearing on Extension Request

Mr. Brown:

On February 28, 2014, the Division of Reclamation, Mining and Safety (Division) received a copy of your correspondence requesting that the Mined Land Reclamation Board (Board) allow you until May 1, 2014, to comply with the conditions of the January 2014 Board Order that required you to submit additional financial warranty in the amount of \$26,402.00 by March 3, 2014. Your request has been scheduled for consideration by the Board at the March 26-27, 2014 Board meeting. The hearing will be held at 1313 Sherman Street, Room 318, Denver, Colorado, beginning at 9:00 a.m. on March 26, 2014, or as soon thereafter as the matter can be considered. At the hearing you will have the opportunity to present your request.

<u>This is an important legal proceeding and you must appear in person for this hearing.</u> Failure to appear at the hearing may result in legal consequences including, but not limited to, loss of party status and your ability to seek reconsideration from the Board or seek judicial appeal in district court.

Since the Division did not receive the required financial warranty increase by the March 3, 2014 deadline, the Division believes this is a violation pursuant to C.R.S. 34-32.5-124 of the *Colorado Land Reclamation Act for the Extraction of Construction Materials* (Act) due to the operator's failure to comply with the conditions of a Board Order, and has reason to believe that a violation exists. The Division has scheduled an enforcement hearing regarding the potential violation before the Board during the May 21-22, 2014 Board meeting. Notice of the enforcement hearing has been sent under separate cover.

If, at the March 2014 meeting, the Board approves your request for extension, and the required financial warranty increase is received and approved by the Division by the May 1, 2014 deadline, the Division will withdraw the enforcement item from the May 2014 Board agenda. However, if the Board denies your request, the Division will proceed with the enforcement hearing on May 21, 2014, including seeking possible civil penalties, a cease and desist order, and a request to find the permit is subject to revocation and current bond forfeiture.

The Division will support your request for extension before the Board if, as a condition of the extension, you consent to a hearing on May 21, 2014, before the Board in the event the additional financial warranty is not submitted to and approved by the Division on or before May 1, 2014. Please confirm in writing whether you agree to the above condition on or before March 21, 2014.

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If you have any questions or need assistance prior to this meeting, please contact me.

Sincerely, Dustin Capta

Eavironmental Protection Specialist Department of Natural Resources Division of Reclamation, Mining and Safety 101 South 3rd, Suite 301 Grand Junction, CO 81501 Phone: (970) 243-6299 Fax: (970) 241-1516

Cc:

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