

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



March 20, 2014

Demetrio Valdez
Valle Escondido
P.O. Box 84
Conejos, CO 81129

John W. Hickenlooper
Governor

Mike King
Executive Director

Loretta E. Piñeda
Director

**RE: Transfer of Permit and Succession of Operator (SO-01), Financial Warranty,
Valle Escondido, Valdez Gravel Mine, Permit No. M-1991-133**

Dear Mr. Valdez:

As part of the review process of your request to transfer the permit for the Valdez Gravel Mine to Demetrio A. and Olive K. Valdez, dba Valle Escondido Ranch (SO-01), the Division has reviewed the current cost of reclamation totaling \$24,407.62. The Division provided a copy of the reclamation cost estimation with the inspection report generated from the November 19, 2014, site inspection, signed March 20, 2014.

Therefore, the existing \$16,465.41 financial warranty is insufficient to ensure the completion of reclamation and the Division cannot approve SO-01 until the financial warranty is deemed adequate. Please submit \$7,942.21 additional surety, to ensure a total financial warranty not less than \$24,407.62, or advance the reclamation and thereby render the existing financial warranty adequate.

Please submit financial warranty documents to the attention of Barbara Coria. If you have any questions regarding the proper execution of warranty documents, please contact Ms. Coria at phone (303) 866-3567, extension 8148. Please contact Wally Erickson, phone (970) 247-5469, with questions regarding the reclamation cost estimation.

Sincerely,

Wallace H. Erickson

Environmental Protection Specialist

Ec: Demetrio Valdez, Valle Escondido
Barbara Coria, DRMS Denver
Russ Means, DRMS GJFO