

**COLORADO** Division of Reclamation, Mining and Safety Department of Natural Resources

1313 Sherman Street, Room 215 Denver, CO 80203

January 6, 2015

Jess Hocker Hocker Construction, LLP P.O. Box 627 Ignacio, CO 81137

## Re: Zellitti Pit, Permit M-1980-246, Withdrawal of Financial Warranty Increase Notice, SI-01, Abatement of Inspection Problem, and New Road Proposal

Dear Mr. Hocker,

The Division of Reclamation, Mining and Safety (Division) would like to inform you that the specialist oversight of your permit has changed. Kate Pickford left the Division effective December 1, 2014. Mr. Wally Erickson will be your Division contact regarding permit issues for this site. Wally's direct line is 970.247.5469 and his email is <u>wally.erickson@state.co.us</u>.

The Division of on April 15, 2014 noticed you of a financial warranty increase of \$75,231.71. An administrative review has identified an error in the update that facilitated the notice. Therefore, the Division is withdrawing the increase notice, SI-01 and you will not be required to post the additional bond related to that update.

Per your letter of May 19, 2014 activities noted by you of crushing, screening, and stockpile removals meet the definition of mining. Therefore, the problem of inactivity noted in the March 17, 2014 inspection is considered abated.

Also, per your letter a new road location and construction was noted as being planned. The relocation of the road if within the boundaries of the current permit should have been reviewed and approved per the Technical Revision process prior to construction. If outside the permit boundaries then it should have been addressed through the amendment process. Due to current circumstances the Division will work with you to ensure the road is properly addressed without fear of enforcement.



The Division will be contacting you shortly to re-inspect the site to properly update the mining and reclamation plans as well as the reclamation liability. Please note that there is no guarantee an increase will not occur. However, I feel it will reflect more accurately the reclamation liability.

We apologize for the inconvenience and look forward to better serving you in the future. If you have any questions regarding this matter please contact me at 303.866.3567, Ext 8185 or via e-mail @ russ.means@state.co.us. Alternatively, you may also contact Mr. Erickson per the contact information provided above.

Sincerely,

B. Shusell Means

Russ Means Senior Environmental Protection Specialist Durango / Grand Junction Supervisor

Cc: Tony Waldron, DRMS Minerals Program Supervisor Wally Erickson, DRMS EPS III - Durango

