

1313 Sherman Street, Room 215 Denver, CO 80203

January 28, 2016

Mr. Joe Kraig S & K No. 1, LLC P.O. Box 49681 Colorado Springs, CO 80949

Re: Hale Pit aka Earl's Pit, Permit No. M-1981-121; Technical Revision Approval, Revision No. TR-1

Dear Mr. Kraig:

On January 28, 2016 the Division of Reclamation, Mining and Safety approved the Technical Revision application submitted to the Division on January 25, 2016, addressing the following:

Clarify pre-permit area and establish reclamation procedures

The terms of the Technical Revision No. 1 approved by the Division are hereby incorporated into Permit No. M-1981-121. All other conditions and requirements of Permit No. M-1981-121 remain in full force and effect.

The Division has reviewed this change for impacts to the financial warranty and has determined that this change does not require an increase to the current reclamation liability. However, the site is underbonded as indicated in the December 16, 2015 inspection report. A surety increase letter will be sent under separate cover.

If you have any questions or need further information, please contact me at (303)866-3567 x8169.

Sincerely,

Timothy A. Cazier, P.E.

Environmental Protection Specialist

ec: Wally Erickson, DRMS

DRMS file

