

July 21, 2016

Peter Hays
Division of Reclamation, Mining and Safety
1313 Sherman Street, Room 215
Denver, CO 80203

Re: Response to Completeness Review, Valley's Edge Resource, M-2016-030

Mr. Hays:

Thank you for your initial review of the proposed Regular 112 Construction Materials operation at the Valley's Edge Resource. The following comments respond to each issue raised in your completeness review letter dated July 15, 2016.

- 1. Page 2 of the application form has been corrected to indicate that the subject property is west of the 5th Prime Meridian, within Range 66 West.
- 2. See below. This letter includes a new notarized signature, serving to grant permission for representatives from Applegate Group to respond on behalf of Brannan Sand and Gravel Company, L.L.C. for purposes of this permit application.
- 3. The access road (20 ft. x 1300 ft.) is included in the proposed 189.66 acres of affected land. There is no existing road where this proposed access will be implemented, so the road is not included in exhibit C-1. As part of the Mining Plan, the access road location is depicted on Exhibits C-2 and F. Note 10 on Exhibit C-2 discusses the consequences of the access road's inclusion as affected area. The original calculation of 189.66 acres included the access road as affected land. Therefore, we have no revisions to Exhibits C-1 or C-2.
- 4. As submitted, Exhibit C-1 is intended to depict the full extent of the subject property, while Exhibit C-2 is intended to specify the affected area subject to permitting under the Construction Materials Rules. Exhibit C-2 excludes from the affected area the railroad right-of-way and portions of the property to its west. These areas are, as labeled, not a part of the proposed Mining Plan.

5. The applicant's contract with the current owner of record contemplates and authorizes a variety of activities prior to the closing of the purchase transaction. This includes, in the provisions cited by Exhibit N: discretion to satisfy regulatory conditions as part of due diligence, general authority to initiate land use planning and zoning actions, provision of access, including access pursuant to a right of entry license and access for certain exploration and mining purposes.

It is common for a prospective land developer to undertake permitting and zoning entitlement processes while still a "Buyer" in the executory period of a land purchase contract. Neither Rule 6.3.7 nor Rule 6.4.14 provide an exhaustive list of sources of a legal right to enter. Under Colorado law, an operator may possess a mining site by virtue of a contract other than a lease. Appropriately, the Construction Materials Rules, where they define what constitutes a "filed" application, do not contain any barrier to the Division's acceptance of Exhibit N as submitted.

We understand the Division's concern that the legal right to enter included in Exhibit N must be sufficient, and the applicant will therefore work with the owner of record to obtain additional documentation. However, the Division's interpretation of this as a completeness issue may substantially stall the M-2016-030 application. Respectfully, we do not believe such additional documentation should be required for completeness, as the applicant and the owner of record contemplated the submittal of a reclamation permit application prior to closing.

6. This letter and a copy of the revised page 2 of the application form have been placed with the Weld County Clerk and Recorder. A receipt is attached.

We appreciate the opportunity to update the M-2016-030 application and provide additional clarification. I look forward to collaborating with you in the adequacy review process.

Sincerely,

BRANNAN SAND AND GRAVEL COMPANY, L.C.C.

Alex Schatz

Authorization to Act as Permitting Representative

Brannan Sand and Gravel Company, L.L.C. hereby grants permission for representatives from Applegate Group to respond on behalf of Brannan Sand and Gravel Company, L.L.C. for
purposes of the Valley's Edge Resource, Reclamation Permit application M-2016-030, and
related permit applications.
7/20/16
J. Curtis Marvel, Manager (date)
Subscribed and affirmed before me by James C. March, JF in the county of Adams,
Subscribed and affirmed before me by <u>James C. Marrel</u> . Tr in the county of <u>Adams</u> , State of Colorado, this <u>22222</u> day of <u>July</u> , 20 <u>16</u> .
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(Notary's official signature)
STEPHANIE A. ZIEGLER NOTARY PUBLIC STATE OF COLORADO
(CommissION EXPIRES September 23, 2018

6.	Name of owner of subsurface rights of affected land: See Exhibit O
	If 2 or more owners, "refer to Exhibit O". Brannan Sand and Gravel Company, L.L.C.
7.	Name of owner of surface of affected land:
8.	Type of mining operation: Surface Underground
9.	Location Information: The center of the area where the majority of mining will occur:
	COUNTY: Weld
	PRINCIPAL MERIDIAN (check one): 6th (Colorado) 10th (New Mexico) Ute
	SECTION (write number): S 20
	TOWNSHIP (write number and check direction): T 1 North South
	RANGE (write number and check direction): R 66 East West
	QUARTER SECTION (check one):
	QUARTER/QUARTER SECTION (check one): NE NW SE SW
	GENERAL DESCRIPTION: (the number of miles and direction from the nearest town and the approximate elevation): East of
	WCR, east of Hwy 85, between northern limits of Brighton and southern limits of Ft. Lupton, at elevation 4970.
10.	Primary Mine Entrance Location (report in either Latitude/Longitude OR UTM):
	Latitude/Longitude:
	Example: (N) 39° 44′ 12.98″ (W) 104° 59′ 3.87″
	Latitude (N): deg 40 min 2 sec 38 40 (2 decimal places)
	Longitude (W): deg 104 min 47 sec 55.76 (2 decimal places)
	OR
	Example: (N) 39.73691° (W) -104.98449°
	Latitude (N)(5 decimal places)
	Longitude(W)(5 decimal places)
	OR
	Universal Tranverse Mercator (UTM)
	Example: 201336.3 E NAD27 Zone 13 4398351.2 N
	UTM Datum (specify NAD27, NAD83 or WGS 84) Nad 83 Zone 13
	Easting
	Northing
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Received 7/22/16 Oxal. Legus Recording Manager.