

November 15, 2016



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

1313 Sherman Street, Room 215
Denver, CO 80203

RE: Mid-Continent LST, Permit No. M-1982-121, Reclamation Costs Update and Notice of Surety Increase (SI-2)-MEMO to File

To whom it may concern:

On November 19, 2016 I issued a notice of surety increase (SI-2) in the amount of \$172,376. This amount was erroneous as it was the total from page one, not the final total from page two. The correct value of SI-2 should have been \$196,181.23 rounded down to \$196,181. That would have been a \$73,388 increase over the previously held \$122,793. The current operator Cal-X Minerals, LLC posted the noticed amount of \$172,376 as shown in the November 19, 2016 surety increase.

In reviewing the file for a Succession of Operator (SO) permit transfer the error was discovered. On November 15, 2016 administrative changes were made in the permit system to correct the values shown for SI-2.

If the SO permit transfer to Rocky Mountain Resources (RMR) is approved they will need to post the correct bond amount of \$196,181. If the SO is denied Cal-X will be notified under a separate cover and given 60 days to post the correct bond amount.

If you require additional information, or have questions or concerns, please feel free to contact me. Amy Yeldell at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 970-254-8511 or via email at amy.yeldell@state.co.us

Sincerely,

Amy Yeldell

Environmental Protection Specialist
Department of Natural Resources
Division of Reclamation, Mining and Safety
Phone: (970) 254-8511

