



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

November 14, 2016

Pioneer Sand Company, Inc.
Attention: Julie Sevier
5000 Northpark Drive
Colorado Springs, CO 80918

Re: Reason to Believe a Violation Exists and Notice of Board Hearing, Rock Pit Mine, Permit No. M-1985-082;

Ms. Sevier:

On September 7, 2016, the Division of Reclamation, Mining and Safety (Division) mailed notice to Pioneer Sand Company requiring a financial warranty increase in the amount of \$3,638 for a total bond amount of \$14,438. The Notice of Surety Increase (SI-2) for Rock Pit Mine (Permit M-1985-082) was due November 7, 2016 and has not yet been received. We believe these are violations of:

- C.R.S. 34-32.5-117(4)(c)(II) a financial warrantor shall have sixty days after the date of notice of any adjustments to fulfill the new requirements.

Therefore, the Division has reason to believe that a violation exists to the Mined Land Reclamation Act, C.R.S. 34-32.5-101 et seq., and have scheduled this matter to appear before the Mined Land Reclamation Board.

A Formal Public Hearing will be held during the December Board Meeting for consideration of these possible violations. The hearing will be held in Room 318 of 1313 Sherman Street, Denver, Colorado, beginning at 9:00 a.m. on December 15th, 2016 or as soon thereafter as the matter can be considered. At that hearing you will have the opportunity to present your defense.

This is an important legal proceeding and you must appear in person for this hearing. If you fail to appear an order and financial judgment may be entered against you. In addition, failure to appear at the hearing may result in legal consequences including, but not limited to, loss of party status and your ability to seek reconsideration from the Board or seek judicial appeal in district court.

If the Board finds a violation at this hearing, it may issue a Cease and Desist Order and/or assess a Civil Penalty in the amount of \$100.00 to \$1,000.00 for each day of violation pursuant to C.R.S. 34-32.5-



124(7). Pursuant to C.R.S. 34-32-124(6) (a): Upon a determination, after hearing, that a violation of a permit provision has occurred, the Board may suspend, modify, or revoke the pertinent permit. If you have evidence indicating that the possible violations noted above do not exist or have been corrected, please provide it to the Division as soon as possible or bring it to the hearing.

If the matter is brought before the Mined Land Reclamation Board, following the hearing, all parties have an opportunity to review and comment on a draft of the Board's Order before it becomes final. If you wish to do so, you must provide the Board with a written request to review the draft Order prior to or at the time of your hearing, or you must inform the Board orally during the hearing that you request to review the draft Order. The Board's attorney must receive your comments on the draft Order within three calendar days of the date the draft Order is e-mailed, unless that deadline is extended by the Board's attorney. Submit all comments in writing, by e-mail or fax, to John J. Roberts, First Assistant Attorney General, Colorado Department of Law, (720) 508-6037 (fax), or John.Roberts@coag.gov.

Please note that the Division has requested and will be allowed to review and comment on the draft Board Order.

The Board's agenda may not be finalized until the week of the Board meeting. Therefore, we recommend you contact the Board Secretary, at (303) 866-3567 ext. 8670 on Monday, December 12, 2016 to confirm the specific date of the hearing.

If you have any questions about this letter or the hearing, please contact Amy Yeldell at (303) 866-3567, extension # 8183.

Sincerely,



Virginia Brannon
Division Director

CERTIFIED MAIL NO. 7014 2120 0001 7885 3650
Return Receipt Requested

cc: Tony Waldron, DRMS
Russ Means, DRMS
Jeff Fugate-AGO

