

Department of Natural Resources

1313 Sherman St. Room 215 Denver, CO 80203

February 3, 2017

Mr. Alex Schatz Brannan Sand and Gravel Company, L.L.C. 2500 E Brannan Way Denver, CO 80229

Re: Brannan Sand and Gravel Company, L.L.C.; Valley's Edge Resource; File No. M-2016-030;

112c Decision Letter - Financial and Performance Warranty Request - Construction Material

Operation

Mr. Schatz:

On February 3, 2017, the Division of Reclamation, Mining and Safety (Division) approved your 112c mining permit application.

The amount of financial warranty set by the Division for this operation is \$873,550.00. You must submit a financial warranty in this amount and a performance warranty in order for us to issue a permit. In the event you have requested a financial warranty form, we have enclosed it in this letter. If you have not, please select a type of financial warranty from Rule 4.3. Then contact us so that we can provide you with the appropriate warranty form. We have enclosed a performance warranty form with this letter for your use.

PLEASE NOTE THAT MINING OPERATIONS MAY NOT COMMENCE UNTIL A PERMIT HAS BEEN ISSUED BY THE DIVISION <u>AFTER</u> RECEIPT OF YOUR FINANCIAL WARRANTY AND PERFORMANCE WARRANTY. A PERMIT WILL NOT BE ISSUED UNTIL WE VERIFY THE ADEQUACY OF BOTH YOUR FINANCIAL WARRANTY AND PERFORMANCE WARRANTY.

If you have any questions, please contact me at peter.hays@state.co.us or (303) 866-3568 Ext. 8124.

Sincerely,

Peter S. Havs

Environmental Protection Specialist

Enclosure

Ec: Wally Erickson; Division of Reclamation, Mining and Safety

