



COLORADO

**Division of Reclamation,
Mining and Safety**

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

December 19, 2017

Clint Beck
Pete Lien & Sons, Inc.
P.O. Box 440
Rapid City, SD 57709-0440

**RE: Rex Quarry, DRMS Permit No. M-1977-304.
Financial Warranty Adequacy**

Dear Mr. Beck,

The Colorado Division of Reclamation, Mining, and Safety (Division) has received and reviewed your responses to the Division's review of the adequacy of the currently held financial warranty. Regarding adequacy review items 1-4 identified in the Division's July 25, 2017 adequacy review letter, Pete Lien & Sons, Inc. (PLS) declined to provide the information requested. Your response letter dated October 26, 2017 indicated the facilities at the site are not exclusively used for the Rex Quarry but are used for processing material from other mining sites and also the lease for the facilities area is separate from the mining area lease. In addition, your letter asserts the approved Reclamation Plan Map excludes reclamation of Tracts A, B and C as well as the access road to these areas.

Upon review of the file for this site, the affected land associated with the facilities area in question is located within the permit boundary for permit number M-1977-304 issued for the Rex Quarry and are thus tied to that permit's reclamation plan. The approved Exhibit E, Reclamation Plan Map for the site shows the facilities area located in Tract A, B and C were included in the "Bonded Acreage Limit" and not excluded from reclamation. The approved post mine land use designated for the Rex Quarry which includes the facilities area is Wildlife Habitat and not industrial use. The Division could not find anything in the Rex Quarry file indicating the facilities were to remain on the site when mining was completed.

Given this, the Division requests PLS address items 1, 3 and 4 identified in the Division's July 25th, 2017 Financial Warranty Adequacy Review letter. Or, if PLS would like the facilities to remain onsite to be used for industrial purposes at the conclusion of mining, then you must submit an amendment application to revise the reclamation plan for the site for the facilities area. Originally, item number 2 of the Division's July 25th, 2017 adequacy review letter indicated PLS could submit a Technical Revision to update the reclamation plan for any structures proposed to



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remain onsite. However, upon further review the Division believes a change in the post mine land use for the facilities area from Wildlife Habitat to Industrial use would need to be processed as an Amendment in accordance with Rule 1.1(6).

The Division requests PLS either address items 1, 3 and 4 of the Division's July 25th, 2017 letter or submit an amendment application by March 30, 2018. If you have any questions feel free to contact me at (303) 866-3567, extension 8120.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jared Ebert", with a stylized flourish at the end.

Jared Ebert

Environmental Protection Specialist III