



Dedicated shares for Deep Cut Pit

Paul Bruss <pbruss@bbawater.com>

Thu, Aug 30, 2018 at 2:28 PM

To: "Van Der Poel - DNR, Melissa" <melissa.vanderpoel@state.co.us>, "Foy, Caleb (Caleb.Foy@state.co.us)" <Caleb.Foy@state.co.us>

Cc: Jeff Deatherage <jeff.deatherage@state.co.us>, Amy Eschberger - DNR <amy.eschberger@state.co.us>, Chris Tomky <tomkyfarms@yahoo.com>, Environment-Inc <Environment-inc@outdrs.net>, Jeff Clark <jclark@bbawater.com>

Hi Melissa and Caleb,

Please see the attached updated water rights dedication letter from Chris Tomky (Deep Cut, LLC). In addition to the 2 Rocky Ford Ditch shares and 17.45 Twin Lakes Reservoir shares dedicated earlier, Chris has also added 15 shares in the Catlin Canal Company. I've provided an updated calculation of the evaporative depletions vs. water rights dedication below:

Table 1

Deep Cut, LLC - 22 West Pit

Comparison of Long-term Evaporative Depletion and Dedicated Water Rights

Water Right	Shares	Est. Yield (af/sh)	Yield (af)
Rocky Ford Ditch Company	2	12.86	25.72
Catlin Canal Company	15	1.54	23.10
Twin Lakes Reservoir and Canal Company	17.45	0.70	12.22
Total	-	-	61.04

Evaporative Depletion	Acres	Net Evap. Rate (ft)	Total Evap. Depletion (af)
Projected Maximum from SWSP	15	3.85	57.75

If you have any questions, please don't hesitate to call.

Thanks,

Paul Bruss, P.E.
Water Resource Engineer
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From: Van Der Poel - DNR, Melissa <melissa.vanderpoel@state.co.us>
Sent: Friday, August 24, 2018 8:02 AM
To: Paul Bruss <pbruss@bbawater.com>
Cc: Jeff Deatherage <jeff.deatherage@state.co.us>; Caleb Foy <Caleb.Foy@state.co.us>; Amy Eschberger - DNR <amy.eschberger@state.co.us>
Subject: Dedicated shares for Deep Cut Pit

Dear Paul;

Thank you for your letter from Mr. Tomky dedicating shares to Deep Cut in response to the DRMS April 30, 2010 letter (attached). The shares dedicated will cover the evaporative depletions of approximately 10 acres of exposed groundwater assuming that the pit has reached steady-state at that point and that there are no more lagged depletions.

The Rocky Ford Ditch shares are normally worth approximately 12.5 AF/share, totaling 25 AF; or 25.72 AF this year..

The 17.45 Twin Lakes shares have a firm yield of approximately 0.7 AF/share, resulting in 12.22 AF. This yield amount is usually used in court cases concerning Twin Lakes shares.

That would result in a total amount of water available of 37.94 AF.

The rate of evaporative depletions per acre according to your SWSP submittal are 3.85 AF per acre, after accounting for effective precipitation.

Therefore, $37.94 \text{ AF} / 3.85 \text{ AF/acre} = 9.85$ or approximately 10 acres of allowable exposed groundwater.

If the amount of exposed groundwater exceeds this acreage, Mr. Tomky will need to have a bond with DRMS to cover the remaining depletions.

DRMS does, in fact, has a "phased bonding" program, which your client may discuss with Amy Eschberger, so that the cost of a bond may not be as prohibitive as it might appear at this time.

If you have any further questions about the SWSP, please call me, or Caleb Foy.

Sincerely,

Melissa A. van der Poel, P.E.

Team Leader, Team 237

Division of Water Resources



Phone 303-866-3581 ext 8208

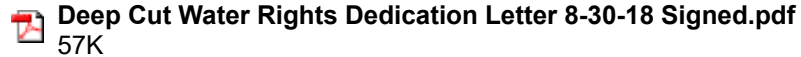
1313 Sherman St., Room 818, Denver, CO 80203

melissa.vanderpoel@state.co.us

2 attachments



BISHOP-BROGDEN ASSOCIATES, INC.



August 30, 2018

Caleb Foy, P.E.
Division of Water Resources
1313 Sherman St., Suite 821
Denver, CO 80203

RE: Dedication of Water Supplies to Satisfy Long-Term Augmentation Requirement
for Deep Cut, LLC's 22 West Pit (M-2017-032)

Dear Caleb:

This letter is to provide information intended to satisfy the requirements of the April 30, 2010 letter from the Division of Reclamation Mining and Safety (DRMS) and Section 16 of the General Guidelines for Substitute Water Supply Plans for Sand and Gravel Pits (Guidelines) pertaining to the long-term replacement of depletions at Deep Cut, LLC's (Deep Cut) 22 West Pit (M-2017-032). This letter supersedes the letter provided on August 23, 2018.

Section 16 of the Guidelines requires that *"If the proposed final reclamation of the mining operation, as approved in the DRMS permit, does not include backfilling or lining to eliminate all ground water exposed within the mining boundaries, sufficient replacement water must be dedicated to the plan, or financial assurance that would allow purchase of replacement water to cover the expected depletions that would occur at the site."*

Based on the net evaporation rate of 3.85 feet and the maximum exposed ground water surface area of 15 acres presented in the pending substitute water supply plan, approximately 57.75 acre-feet must be covered by the water right dedication.

For the purposes of satisfying the requirements of Section 16 of the Guidelines, Deep Cut will dedicate the following water rights for long-term replacement of evaporative depletions resulting from the exposure of ground water at the 22 West Pit:

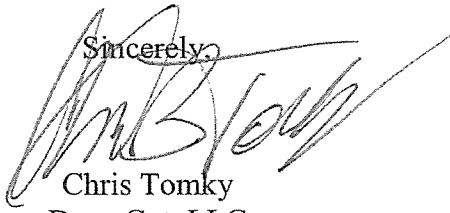
- 2 shares in the Rocky Ford Ditch Company
- 17.45 shares in the Twin Lakes Reservoir and Canal Company
- 15 shares in the Catlin Canal Company

Table 1
Deep Cut, LLC - 22 West Pit
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Total	-	-	61.04

Evaporative Depletion	Acres	Net Evap. Rate (ft)	Total Evap. Depletion (af)
Projected Maximum from SWSP	15	3.85	57.75

As shown in Table 1 above, the dedicated water rights should be more than sufficient to cover the long-term evaporative depletions at the 22 West Pit.

Sincerely,

Chris Tomky
Deep Cut, LLC