

Department of Matarat Resource

1313 Sherman St. Room 215 Denver, CO 80203

October 24, 2018

Christopher L. Varra Varra Companies, Inc. 8120 Gage St. Frederick, CO 80516

Re: Varra Resources Project 110 (formerly Dakolios Pit No. 1), Permit No. M-1984-036, Final Financial Warranty Release Denial, Revision No. SL-01

Mr. Varra:

On October 24, 2018 the Division of Reclamation, Mining and Safety (Division/DRMS) considered the request for a final financial warranty release. The Division found reclamation had not been accomplished at this site and denied this request. Please review the September 20, 2018 inspection report for the specific reasons for the financial warranty release denial. In addition, if you have past due annual fees or unpaid civil penalties, your financial warranty cannot be released.

If you have any questions, please contact me at peter.hays@state.co.us or (303) 866-3567 Ext. 8124.

Sincerely,

Peter S. Hays

Environmental Protection Specialist

Ec: Bradford Janes, Varra Companies, Inc.

Michael Cunningham, DRMS

