



**COLORADO**  
Division of Reclamation,  
Mining and Safety  
Department of Natural Resources

1313 Sherman Street, Room 215  
Denver, CO 80203

December 6, 2018

Mr. Brad Janes  
Varra Companies, Inc.  
8120 Gage Street  
Fredrick, Colorado 80516

**Re: Varra Companies, Inc., Western Sugar Project, File No. M-1984-036,  
Technical Revision No. 5 (TR-05) Adequacy Review**

Mr. Janes,

The Division of Reclamation, Mining and Safety (Division/DRMS) has reviewed the content of the technical revision (TR-05) for the Western Sugar Project submitted on November 27, 2018 and submits the following comments. The Division is required to make an approval or denial decision no later than December 27, 2018 therefore; a response to the following adequacy review concern should be submitted to the Division as soon as possible.

1. The Division currently holds a financial warranty in the amount of \$292,210.00 for the Western Sugar Project. The Division calculated the required financial warranty associated with the revision proposed by the Operator at \$436,400.00, an increase of \$144,190.00. The estimate was based on the Division's original 2011 estimate, the Division's 2012 estimate for TR-02 – Flood Control Plan and the Operator's estimate associated with TR-05. Copies of the financial warranty estimate summary pages from 2011 and 2012 and a full copy of the Division's estimate for TR-05 are attached for review.

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

Sincerely,

Peter S. Hays  
Environmental Protection Specialist

Enclosures – 2011 Bond Estimate Cover Page, 2012 TR-02 Bond Estimate Cover Page, Bond Estimate for TR-05

Ec: Michael Cunningham, DRMS

