



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

1313 Sherman Street, Room 215
Denver, CO 80203

April 22, 2019

Bill Schenderlein
Blue Earth Solutions, LLC
P.O. Box 2427
Fort Collins, CO 80522

Re: Connell Resources, Inc.; Lazy Two Pit; File No. M-2019-001; 112 Construction Materials Reclamation Permit Application Package Second Adequacy Review

Mr. Schenderlein,

The Division of Reclamation, Mining and Safety (Division/DRMS) reviewed the content of the Connell Resources, Inc. adequacy response letter dated April 17, 2019 for the Lazy Two Pit, File No. M-2019-001 and submits the following comments. The Division is required to make an approval or denial decision no later than May 3, 2019 therefore; a response to the following adequacy review concerns should be submitted to the Division as soon as possible.

6.4.7 Exhibit G - Water Information

1. The Applicant's response to Item #13 from the Division's March 12, 2019 adequacy letter states the source of water used on the Lazy Two Pit site will be the groundwater well located at the Tucker Aggregate Pit (M-1980-002) and provided a copy of the approved Colorado Division of Water Resources well permit.

Item #4 in well permit no. 25144-F-R states the use of groundwater from this well is limited to commercial purposes associated with aggregate extraction in Sections 17 and 21, Township 11 N, Range 67 W, Sixth PM, which are the locations of the Tucker Pit and Connell Carr Pit. The Lazy Two Pit is located in Section 10, Township 10 N, Range 67 W, Sixth PM and is not included in the well permit.

Please provide the source of water and evidence the water is permitted for mining/industrial use or commit to providing the Division with an approved source of water prior to initiating mining operations.



6.4.12 Exhibit L - Reclamation Costs

2. The Division reviewed and will accept the Applicant's reclamation cost estimate in the amount to \$773,134.00. The Applicant will be required to post the financial warranty in this amount if the permit application is approved by the Division prior to initiating mining operations.

6.4.18 Exhibit R - Proof of Filing with County Clerk and Recorder

3. Please provide an affidavit or receipt indicating the date on which the revised application information required to address this adequacy letter was placed with the Weld County Clerk and Recorder for public review, pursuant to Subparagraph 1.6.2(1)(c).

Please be advised the Lazy Two Pit application may be deemed inadequate, and the application may be denied on May 3, 2019, unless the above mentioned adequacy review items are addressed to the satisfaction of the Division. If more time is needed to complete the reply, the Division can grant an extension to the decision date. This will be done upon receipt of a written waiver of the Applicant's right to a decision by May 3, 2019 and request for additional time. The extension request must be received no later than the decision date.

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: Michael Cunningham; Division of Reclamation, Mining & Safety
Kevin Anderson; Connell Resources, Inc.