

1313 Sherman Street, Room 215 Denver, CO 80203

June 21, 2019

Fred A. Duckels Duckels Construction, Inc. dba Yampa Aggregates 3500 Duckels Court Steamboat Springs, CO 80487

RE: NOTICE OF VIOLATION NO. MV-2019-014,

CIVIL PENALTIES, AND CEASE AND DESIST ORDER

Hogue/River Pit (Permit No. M-1992-066)

Dear Mr. Duckels:

C.R.S. 34-32.5-116(3)(a) and (b) and Permit No. M-1992-066 require you to submit to the Division of Reclamation, Mining and Safety (the "Division") an annual fee, map and report, due on or before April 12 of each year. The annual fee required for your permit is \$791.00. As of the date of this letter the Division has not received your submittal.

Therefore, you are in violation of the above cited statute and the provisions of your Permit No. M-1992-066. Pursuant to C.R.S. 34-32.5-124, the Mined Land Reclamation Board hereby assesses Notice of Violation MV-2019-014, Civil Penalties in the amount of \$791.00, and an Order to Cease and Desist from all mining related activities associated with Permit No. M-1992-066.

Pursuant to C.R.S. 34-32.5-116(3)(b), a Formal Public Hearing before the Mined Land Reclamation Board (the "Board") has been scheduled for July 24, 2019, for consideration of permit revocation and finding the financial warranty subject to forfeiture. The Formal Public Hearing on July 24, 2019 will occur in Room 318 of 1313 Sherman Street, Denver, Colorado, beginning at 9:00 a.m. or as soon thereafter as the matter can be considered. At the hearing the Division will reiterate the permit should be revoked and the financial warranty should be found subject to forfeiture. You will have the opportunity to be represented and heard.

If you submit all past due annual fees, reports, and maps, and the Civil Penalties by July 19, 2019, this matter will be withdrawn from Board consideration and the scheduled hearing will be vacated.

NOTE: NO PERMITS FOR NEW MINING OPERATIONS SHALL BE GRANTED TO ANY OPERATOR WHO IS CURRENTLY FOUND TO BE IN VIOLATION IN THIS STATE (C.R.S. 34-32.5-120) UNTIL THE VIOLATION IS ABATED.

If the matter is brought before the Mined Land Reclamation Board, following the hearing, all parties have an opportunity to review and comment on a draft of the Board's order before it becomes final. If you wish to do so, you must provide the Board with a written request to review the draft Order prior to or at the time of your hearing, or you must inform the Board orally during the hearing that you request to review the draft



Order. You must include your mailing address and, if possible, an email address. You will be provided a copy of the draft Order for your review as soon as it is available. The Board must receive your comments on the draft Order within ten (10) calendar days of the date the draft Order is mailed, unless that deadline is extended. Please note that the Division of Reclamation, Mining and Safety has requested and will be allowed to review and comment on the draft Board Order prior to mailing to any party. Please submit all comments in writing to: Charles Kooyman, Colorado Department of Law, Business and Licensing Section, 1300 Broadway, 8th Floor Denver, CO, 80203, (720) 508-6440 (phone) (720) 508-6037 (facsimile), or Charles.kooyman@coag.gov. The Board will resolve any issues regarding the form of the order. This process does not affect your right to request reconsideration by the Board or appeal the substance of the order.

Please contact Camille M. Mojar of the Division at (303) 866-3567 ext. 8136 on the Monday prior to the Board Hearing to confirm exactly which day your item will appear before the Board. If you have any questions about this letter or the hearing, please contact Peter S. Hays at (303) 866-3567 ext. 8124 or Peter.hays@state.co.us.

Sincerely,

Russ Means

Minerals Program Director

Signing on behalf of:

Virginia Brannon Division Director

CERTIFIED MAIL NO. 7018 2290 0001 8923 7030 Return Receipt Requested

cc: Michael A. Cunningham, DRMS

Peter S. Hays, DRMS Jeff Fugate, AGO

To file your report, upload your report, map, and pay your fee and civil penalty online now, click on the link below:

https://dnrforms.state.co.us/Forms/DRMSeForms LandingPage

If you have not yet set up your ePermitting account, click on the link below to get started: http://mining.state.co.us/Pages/ePermitting.aspx

M-AF-10