

November 6, 2019

Perry Hastings  
Ellicott Sand & Gravel LLC  
235 Franceville Coal Mine Road  
Colorado Springs, CO 80929

**Re: File No. M-2018-063, Schubert Ranch Sand Resource, 112c Decision Letter - Financial and Performance Warranty Request - Construction Material Operation**

Perry Hastings:

On November 6, 2019, the Division of Reclamation, Mining and Safety approved your 112c mining permit application.

The amount of financial warranty set by the Division for this operation is \$138,200.00. You must submit a financial warranty in this amount and a performance warranty in order for us to issue a permit. In the event you have requested a financial warranty form, we have enclosed it in this letter. If you have not, please select a type of financial warranty from Rule 4.3. Then contact us so that we can provide you with the appropriate warranty form. We have enclosed a performance warranty form with this letter for your use.

**Conditions of Approval:**

No mining is allowed within 200 feet of any structure until the required geotechnical stability exhibit is submitted via a technical revision (including the requisite \$216 fee) and approved by the DRMS.

**PLEASE NOTE THAT MINING OPERATIONS MAY NOT COMMENCE UNTIL A PERMIT HAS BEEN ISSUED BY THE DIVISION AFTER RECEIPT OF YOUR FINANCIAL WARRANTY AND PERFORMANCE WARRANTY. A PERMIT WILL NOT BE ISSUED UNTIL WE VERIFY THE ADEQUACY OF BOTH YOUR FINANCIAL WARRANTY AND PERFORMANCE WARRANTY.**



Mr. Perry Hastings  
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If you have any questions, please contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tim A. Cazier".

Timothy A. Cazier  
Environmental Protection Specialist

Enclosure

cc: Steve O'Brian, Environment, Inc.

M-AP-18