

January 22, 2020

Mr. Peter Hays
Division of Reclamation, Mining, and Safety
1313 Sherman Avenue, Room 215
Denver, CO 80203

RE: Loloff Construction, Inc. – Loloff Mine – DRMS M1985-112

Dear Mr. Hays,

Loloff Construction, Inc. would like to provide with additional information on mitigation for the Loloff Pit in regards to the groundwater levels.

The following are items that have been accomplished/completed to mitigate groundwater levels:

- The slurry wall was installed and completed in 2017 and the leak test passed and was approved by the State Engineer's Office on April 26, 2019.
- No dewatering is occurring at the Loloff Mine and mining is nearing completion as well as the reclamation of the mine.
- Well levels are being monitored monthly by Ag Pro adjacent to and in the surrounding areas to keep records of depths to static water levels. These will continue to be monitored as part of the monitoring program for the Loloff Mine and the Derr Pit.

The following are items that are in progress to mitigate groundwater levels for the Derr Pit:

- We met with Mr. Bickling who is representing the Koehler family and provided monitoring information to him.
- We have also provided information from the draft groundwater model that we are working to finalize for the Derr Pit as part of the Weld County USR Amendment application.
- We are working on an agreement to present to Mr. Bickling on mitigation measures for the Derr Pit. We have not presented the agreement yet as we are working on getting additional information on the existing Koehler wells to help establish the mitigation.

Sincerely,



Kelly Hodge Phone: (970) 566-5090
Loloff Construction, Inc. and Broken Arrow Investments, LLC