

February 20, 2020

Mr. Greigg Newlon R E Monks Construction Co. P.O. Box 25579 Colorado Springs, CO 80936

Re: Mitchell Mine No 1, Permit M-1986-025; Final Follow-up Notice of Problem / Possible Violation

Dear Mr. Newlon,

On May 7, 2019 the Division of Reclamation, Mining and Safety (DRMS) sent R E Monks Construction (the Permittee) a letter stating the Permittee is required to maintain their legal right of entry for mining and reclamation, pursuant to Rule 6.3.7 of the Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials. This corrective action was due June 6, 2019. A follow-up letter was sent on July 26, 2019 extending the due date to September 24, 2019.

You have kept the DRMS apprised via phone calls of your efforts to obtain an agreement with the landowner, Garrett Balsick and notified me on February 19, 2020 via voice mail that your efforts to obtain an updated legal right of entry have failed. Your voice message also requested options on moving forward. The DRMS has no authority to impose conditions on the land owner. As such the only option going forward is to pursue enforcement action leading to revocation of the permit and forfeiture of the financial warranty.

The DRMS grants a final 60 days to resolve this outstanding corrective action (Due April 20, 2020) before pursuing enforcement action, likely ending in revocation of the permit and forfeiture of the financial warranty. As a reminder, there are two ways to comply with the outstanding corrective action: 1) Obtain an agreement with the current landowner demonstrating legal right of entry for mining and reclamation, or 2) have a new Permittee submit a succession of operator (SO) application to be reviewed and approved by the DRMS.

If you have any questions, please contact me at (303) 866-3567, ext 8169.

Sincerely

Timothy A. Cazier, P.E. Environmental Protection Specialist

CERTIFIED Mail No. 7017 2400 0000 9205 6724 Return Receipt Requested

ec: Michael Cunningham, DRMS DRMS file Garrett Balsick, landowner

