



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

1313 Sherman Street, Room 215  
Denver, CO 80203

October 19, 2020

Alan Parkerson  
Parkerson Construction Inc.  
710 S 15th St  
Grand Junction, CO 81501

***RE: Valley Vista Pit, Permit No. M-1981-229, Estimated Reclamation Costs Update***

Dear Mr. Parkerson:

In an effort to ensure the Financial Warranty for the above referenced site adequately reflects the actual current costs of fulfilling the requirements of the approved reclamation plan, the Colorado Division of Reclamation, Mining and Safety (Division) has updated the reclamation cost estimate (copy enclosed).

Division calculations estimate the cost to reclaim the above referenced site to be \$177,765. This is an increase of \$99,965 over the \$77,800 currently held by the Division. This estimate is based on conditions observed during the October 15, 2020 inspection. Please review the enclosed figures as soon as possible and contact our office if any calculation errors are noted.

The Division acknowledges that this is a significant increase. The last Surety Increase occurred over ten years, ago in 2008. No inflationary Surety Increases have occurred since then. Additionally the site has been completely mined out with very little concurrent reclamation activities to date.

The Division is open to allowing the Operator to conduct some reclamation activities in an effort to lower the required surety prior to an official Surety Increase (SI-3) being issued.

The Operator should submit to the Division a written commitment to conduct reclamation in an effort to lower the site's reclamation liability by November 6, 2020. The commitment shall include a list of specific activities to be completed and the number of acres or volume that activity applies to. The Division will re-inspect the site on or after January 1, 2021. At that time the Division will update the reclamation cost estimate and issue a surety increase for all remaining work.

If no commitment to conduct reclamation is received by November 6, 2020 than it is the Divisions understanding that the operator has no objections to the bond calculated on October 19, 2020 for the amount of \$177,765 according the current permit conditions. At that time a Notice for Surety Increase will be issued for the above amount as required by the Act and Rules.



If you require additional information, or have questions or concerns, please feel free to contact me. Amy Yeldell at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 303-866-3567 Ext 8183 or via email at amy.yeldell@state.co.us

Sincerely,



**Amy Yeldell**  
Environmental Protection Specialist

Ec:  
Travis Marshall, Senior EPS, Grand Junction DRMS  
Greg Monger, Parkerson

Enc:  
2020-10 Reclamation Cost Estimate  
2020-10 Bond Calculation