

Department of Natural Resources

1313 Sherman St. Room 215 Denver, CO 80203

November 12, 2020

Memo to File

From: Brock Bowles

Re: PVRE Pit #1, Permit No. M-2017-009

Surety Reduction 1 (SR-1) Inspection requirement

The PVRE Pit #1 pit was inspected on July 15, 2020. During the inspection it was noted that the mining operation exposed ground water. The Division documented in the inspection report that Platte Valley Real Estate, LLC (PVRE) had not provide the Division with the required documents authorizing the exposure of ground water.

PVRE submitted the required documents in Technical Revision 1 (TR-1). The documents were review by the Division and the Division of Water Resources. It was determined that PVRE was approved to expose 6.5 acres of ground water. As part of the TR-1 process, the reclamation cost estimate was reevaluated. The reclamation cost estimate was reduced from \$46,181.89 to \$24,337 due to the 6.5 acre pond that will not be reclaimed. TR-1 was approved on October 23, 2020.

PVRE submitted SR-1 on November 2, 2020 to reduce the required bond to reflect the new reclamation estimate. SR-1 was deemed complete on November 12, 2020. Rule 4.17.2(2) requires that the Division conduct an inspection within 60 days after receiving the surety reduction application. The SR-1 request is based on PVRE providing the Division with the adequate proof of water rights. It is <u>not</u> based on reclamation preformed or any additional disturbance. Also, with the number of new Covid-19 cases rapidly increasing across the state, it was determined that an inspection is not necessary for this surety reduction request.

