

STATE OF  
COLORADO

Eschberger - DNR, Amy &lt;amy.eschberger@state.co.us&gt;

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**Big Johnson Reservoir / M2020-028**

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**GARY STEEN** <glsteen@comcast.net>

Thu, Jan 21, 2021 at 11:25 AM

To: "Eschberger - DNR, Amy" &lt;amy.eschberger@state.co.us&gt;

Hi Amy:

I have completed the amendment to the Big Johnson Reservoir Permit M-2020-028 per your letter dated December 14, 2020 and items listed within this letter. Per your email below, I am emailing to you the amended permit for this project. The amended permit has addressed the following items:

1. Revised Exhibit "B" to reflect Big Johnson Reservoir to be included as part of the man-made structures and added the reservoir to the list of "reservoirs" that would receive drainage directly from the mine itself.
2. Revised Exhibit "C" to address the affected area within the permitted 30 ac. site; addressed the topsoil issue within and/or adjacent to the permit area; addressed the shoreline within and/or adjacent to the reservoir; addressed the clay material removed and/or stockpiled adjacent to the reservoir.
3. Revised Exhibit "D" to address the reclamation of the side slope areas within the reservoir including the proposed acreage involved with this reclamation; previously addressed the topsoil issue with no re-vegetation planned for the site.
4. Revised Exhibit "E" to address to addition of "Exhibit E - Mining Map"; location of existing fence within mining permit area; location of existing access roadway and temporary stockpile of clay material; location of side slope areas/reclamation areas at 6:1 side slopes; "Exhibit E - Reclamation Plan Map".
5. An amended copy of this permit was submitted today (1/21/21) to the El Paso County Clerk & Recorder's Office with the signed Proof of Filing document attached to this amended copy of the permit.

Please review this amended copy of the permit for Big Johnson Reservoir and let me know if you should have any additional comments pertaining to this submittal.

Thanks, Gary



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**Big Johnson Res. Amended Permit 1-21-21.pdf**

12465K



# COLORADO

Division of Reclamation,  
Mining and Safety

Department of Natural Resources  
1313 Sherman Street, Room 215  
Denver, Colorado 80203

## CONSTRUCTION MATERIALS

### SPECIAL OPERATION 111(1)(b)

#### RECLAMATION PERMIT APPLICATION FORM

The application for a Construction Materials Special 111 Operation Reclamation Permit contains four major parts: (1) the application form; (2) Exhibits A-L, Addendum 1, and any sections of Exhibit 6.5 (Geotechnical Stability Exhibit), as required by the Office, and outlined in Rules 6.1, 6.2, 6.3, 6.5, and 1.6.2(1)(b); (3) the application fee; (4) the Performance Warranty and Financial Warranty.

When you submit your application, be sure to include one **completed, signed and notarized ORIGINAL**, and one copy of the completed application form, two copies of Exhibits A-L, Addendum 1, appropriate sections of Exhibit 6.5 (Geotechnical Stability Exhibit), as required, a check for the \$400.00 application fee, and the fully executed Performance Warranty and Financial Warranty. Exhibits should **NOT** be bound or in 3-ring binders; maps should be folded to 8 1/2" X 11" or 8 1/2" X 14" size. To expedite processing, please provide the information in the format and order described in this form.

#### GENERAL OPERATION INFORMATION

Type or print clearly, in the space provided, all information described below

1. Applicant/operator or company name (name to be used on the permit):

Fountain Mutual Irrigation Company (FMIC)

- 1.1 Type of organization (corporation, partnership, etc.): Corporation

2. Operation name (pit, mine or site name): Reservoir (Big Johnson)

3. Permitted acreage: (must be 30 acres or less)

30 Permitted Acres

4. Fees:

- 4.1 New Application

\$400.00 Application Fee pd.

5. Primary commodity(ies) to be mined: Silty, Sandy Loam

6. Name of owner to the surface of affected land: FMIC

7. Name of owner to the subsurface rights of affected land: FMIC

8. Location information: The center of the area where the majority of mining will occur:

COUNTY: El Paso

PRINCIPAL MERIDIAN (check one):



6th (Colorado)



10th (New Mexico)



Ute

SECTION (write number):

S

8

TOWNSHIP (write number and check direction):

T

15



North



South

RANGE (write number and check direction):

R

65



East



West

QUARTER SECTION (check one):



NE



NW



SE



SW

QUARTER/QUARTER SECTION (check one):



NE



NW



SE



SW



9. **Primary Mine Entrance Location** (report in either Latitude/Longitude **OR** UTM):

**Latitude/Longitude:**

Example: (N) 39° 44' 12.98"  
(W) 104° 59' 3.87"

Latitude (N): deg \_\_\_\_\_ min \_\_\_\_\_ sec \_\_\_\_\_ (2 decimal places)

Longitude (W): deg \_\_\_\_\_ min \_\_\_\_\_ sec \_\_\_\_\_ (2 decimal places)

OR

Example: (N) 39.73691°  
(W) -104.98449°

Latitude (N) 38.74833 (5 decimal places)

Longitude (W) -104.70056 (5 decimal places)

OR

**Universal Transverse Mercator (UTM)**

Example: 201336.3 E NAD27 Zone 13  
4398351.2 N

UTM Datum (specify NAD27, NAD83 or WGS 84) \_\_\_\_\_ Zone \_\_\_\_\_

Easting \_\_\_\_\_

Northing \_\_\_\_\_

11. **Primary Present Land Use (check only one):**

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Cropland (CR)                             | <input type="checkbox"/> Pastureland (PL) | <input type="checkbox"/> General Agriculture (GA)   |
| <input type="checkbox"/> Rangeland (RL)                            | <input type="checkbox"/> Forestry (FR)    | <input type="checkbox"/> Wildlife Habitat (WL)      |
| <input type="checkbox"/> Residential (RS)                          | <input type="checkbox"/> Recreation (RC)  | <input type="checkbox"/> Industrial/Commercial (IC) |
| <input checked="" type="checkbox"/> Developed Water Resources (WR) |   |   |

10. **Primary Future (Post-mining) Land Use (check only one):**

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Cropland (CR)                             | <input type="checkbox"/> Pastureland (PL) | <input type="checkbox"/> General Agriculture (GA)   |
| <input type="checkbox"/> Rangeland (RL)                            | <input type="checkbox"/> Forestry (FR)    | <input type="checkbox"/> Wildlife Habitat (WL)      |
| <input type="checkbox"/> Residential (RS)                          | <input type="checkbox"/> Recreation (RC)  | <input type="checkbox"/> Industrial/Commercial (IC) |
| <input checked="" type="checkbox"/> Developed Water Resources (WR) |   |   |

12. **Duration of Project:**

12.1 Estimated beginning date of excavation: 9-1-20

12.2 Estimated completion date of excavation: 8-31-21

13. Correspondence Information:

APPLICANT/OPERATOR (name, address, and phone of name to be used on permit)

Contact's Name: Gary L. Steen, P.E. Title: Manager  
Company Name: FMIC  
Street/P.O. Box: \_\_\_\_\_ P.O. Box: 75292  
City: Colorado Springs State: CO Zip Code: 80970  
Telephone Number: (719) - 598-9913 Fax Number: ( ) - \_\_\_\_\_  
Email Address: g/steen@comcast.net

PERMITTING CONTACT (if different from applicant/operator above)

Contact's Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Company Name: \_\_\_\_\_  
Street/P.O. Box: \_\_\_\_\_ P.O. Box: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Telephone Number: ( ) - \_\_\_\_\_ Fax Number: ( ) - \_\_\_\_\_  
Email Address Name: \_\_\_\_\_

INSPECTION CONTACT (if different from applicant/operator above)

Contact's Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Company Name: \_\_\_\_\_  
Street/P.O. Box: \_\_\_\_\_ P.O. Box: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Telephone Number: ( ) - \_\_\_\_\_ Fax Number: ( ) - \_\_\_\_\_  
Email Address: \_\_\_\_\_

CC: STATE OR FEDERAL LANDOWNER (if any)

Agency: \_\_\_\_\_  
Street: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Telephone Number: ( ) - \_\_\_\_\_

CC: STATE OR FEDERAL LANDOWNER (if any)

Agency: \_\_\_\_\_  
Street: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Telephone Number: ( ) - \_\_\_\_\_



**Responsibilities as a Permittee:**

Upon application approval and permit issuance, this application becomes a legally binding document. Therefore, there are a number of important requirements which you, as a permittee, should fully understand. These requirements are listed below. **Please read and initial each requirement**, in the space provided, to acknowledge that you understand your obligations. If you do not understand these obligations then please contact this Office for a full explanation.

JS

1. Your obligation to reclaim the site is not limited to the amount of the financial warranty. You assume legal liability for all reasonable expenses which the Board or the Office may incur to reclaim the affected lands associated with your mining operation in the event your permit is revoked and financial warranty is forfeited;

JS

2. The Board may suspend or revoke this permit, or assess a civil penalty, upon a finding that the permittee violated the terms or conditions of this permit, the Act, the Mineral Rules and Regulations, or that information contained in the application or your permit misrepresent important material facts;

JS

3. If your mining and reclamation operations affect areas beyond the boundaries of an approved permit boundary, substantial civil penalties may result to you as permittee;

JS

4. Any modification to the approved mining and reclamation plan from those described in your approved application requires you to submit a new permit application and obtain approval from the Board or Office;

JS

5. It is your responsibility to notify the Office of any changes to your address or phone number;

JS

6. Upon permit issuance and prior to beginning on-site mining activity, you must post a sign at the entrance of the mine site, which shall be clearly visible from the access road, with the following information (Rule 3.1.12):

a. the name of the operator;

b. a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and,

c. the permit number.

JS

7. The boundaries of the permit boundary area must be marked by monuments or other markers that are clearly visible and adequate to delineate such boundaries prior to site disturbance;

JS

8. It is a provision of this permit that the operations will be conducted in accordance with the terms and conditions listed in your application, as well as with the provisions of the Act and the Rules and Regulations in effect at the time the permit is issued.

JS

9. Annually, on the anniversary date of permit issuance, you must submit an annual fee (\$200), and an annual report which includes a map describing the acreage affected and the acreage reclaimed to date. You must also submit any monitoring required by the Reclamation Plan to be submitted annually on the anniversary date of the permit approval. Annual fees are for the previous year a permit is held. For example, a permit with the anniversary date of July 1, 2019, the annual fee is for the period of July 1, 2018 through June 30, 2019. Failure to submit your annual fee and report by the permit anniversary date may result in a civil penalty, revocation of your permit, and forfeiture of your financial warranty. It is your responsibility, as an operator, to continue to pay your annual fee to the Office until the Board releases you from your responsibility.

**Certification:**

As an authorized representative of the applicant, I hereby certify that the operation described has met the minimum requirements of the following terms and conditions:

1. All necessary approvals from local government have been applied for (Section 34-32.5-111(1)(a)(IX));
2. This entire mining operation will not affect more than 30 acres;
3. This mining operation will not adversely affect the stability of any significant, valuable and permanent man-made structure(s) located within two hundred (200) feet of the affected lands. (However, where there is an agreement between the applicant/operator and the persons having an interest in the structure that damage to the structure is to be compensated for by the applicant/operator (Section 34-32.5-115(4)(e), C.R.S.), then mining may occur within 200 feet. Proof of an agreement must be submitted to the Office prior to the decision date.)
4. No mining operation will be located on lands where such operations are prohibited by law (Section 34-32.5-115(4)(f), C.R.S.);
5. As the applicant/operator, I do not have any mining/exploration operations in this state of Colorado currently in violation of the provisions of the Colorado Land Reclamation Act for the Extraction of Construction Materials (Section 34-32.5-120, C.R.S.) as determined through a Board finding.
6. I understand that statements in the application are being made under penalty of perjury and that false statements made herein are punishable as a Class 1 misdemeanor pursuant to Section 18-8-503, C.R.S..

*This form has been approved by the Mined Land Reclamation Board pursuant to section 34-32.5-111, C.R.S., of the Colorado Land Reclamation Act for the Extraction of Construction Materials. Any alteration or modification of this form shall result in voiding any permit issued on the altered or modified form and subject the operator to cease and desist orders and civil penalties for operating without a permit pursuant to section 34-32.5-123, C.R.S.*

Signed and dated this 30<sup>th</sup> day of November, 2020.

Fountain Mutual Irrigation Company  
Applicant/Operator

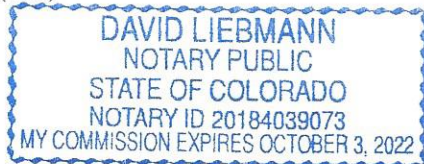
If Corporation Attest (Seal)

By: [Signature]  
Title: Manager

By: \_\_\_\_\_  
Corporate Secretary or Equivalent  
Town/City/County Clerk

State of Colorado )  
County of El Paso ) ss.

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of November, 2020,  
by Gary L. Steen as Manager of Fountain Mutual Irrigation Company  
(Name) (Title) (Applicant/Operator)



[Signature]  
Notary Public  
My Commission expires: 10/03/2022

**SIGNATURES MUST BE IN BLUE INK**



**EXHIBIT A - Legal Description and Location Map**  
**Rule 6.3.1**

**1) Legal Description:**

- a. County: El Paso
- b. Principal Meridian (check one): ☒ 6th (Colorado) ☐ 10th (New Mexico) ☐ Ute
- c. Section (write number): 8
- d. Township (write number and check direction): T 15 ☐ North ☒ South
- e. Range (write number and check direction): R 65 ☐ East ☒ West
- f. Quarter Section (check one): ☐ NE ☐ NW ☐ SE ☒ SW
- g. Quarter/Quarter Section (check one): ☐ NE ☐ NW ☐ SE ☒ SW
- h. Approximate elevation (write number): 5805 Feet
- i. Direction and miles to nearest town/city: City of Colorado Springs - 1/2 mile - North

Additional location details: City of Fountain - 2 miles - South

Big Johnson Reservoir Maintenance Bldg. Address - 5550 Goldfield Dr., Colorado Springs, CO 80911

Note: Where available, the street address or lot number(s) shall be given.

**2) Primary Mine Entrance Location (report in either Latitude/Longitude OR UTM):**

Latitude/Longitude:

Degrees Minutes Seconds (DMS):

Latitude (N): deg \_\_\_\_\_ min \_\_\_\_\_ sec \_\_\_\_\_ (2 decimal places)

Longitude (W): deg \_\_\_\_\_ min \_\_\_\_\_ sec \_\_\_\_\_ (2 decimal places)

OR

Decimal Degrees (DD):

Latitude (N) 38.74833 (5 decimal places)

Longitude (W) - 104.70056 (5 decimal places)

OR

Universal Transverse Mercator (UTM):

UTM Datum (specify NAD27, NAD83 or WGS 84) \_\_\_\_\_ Zone \_\_\_\_\_

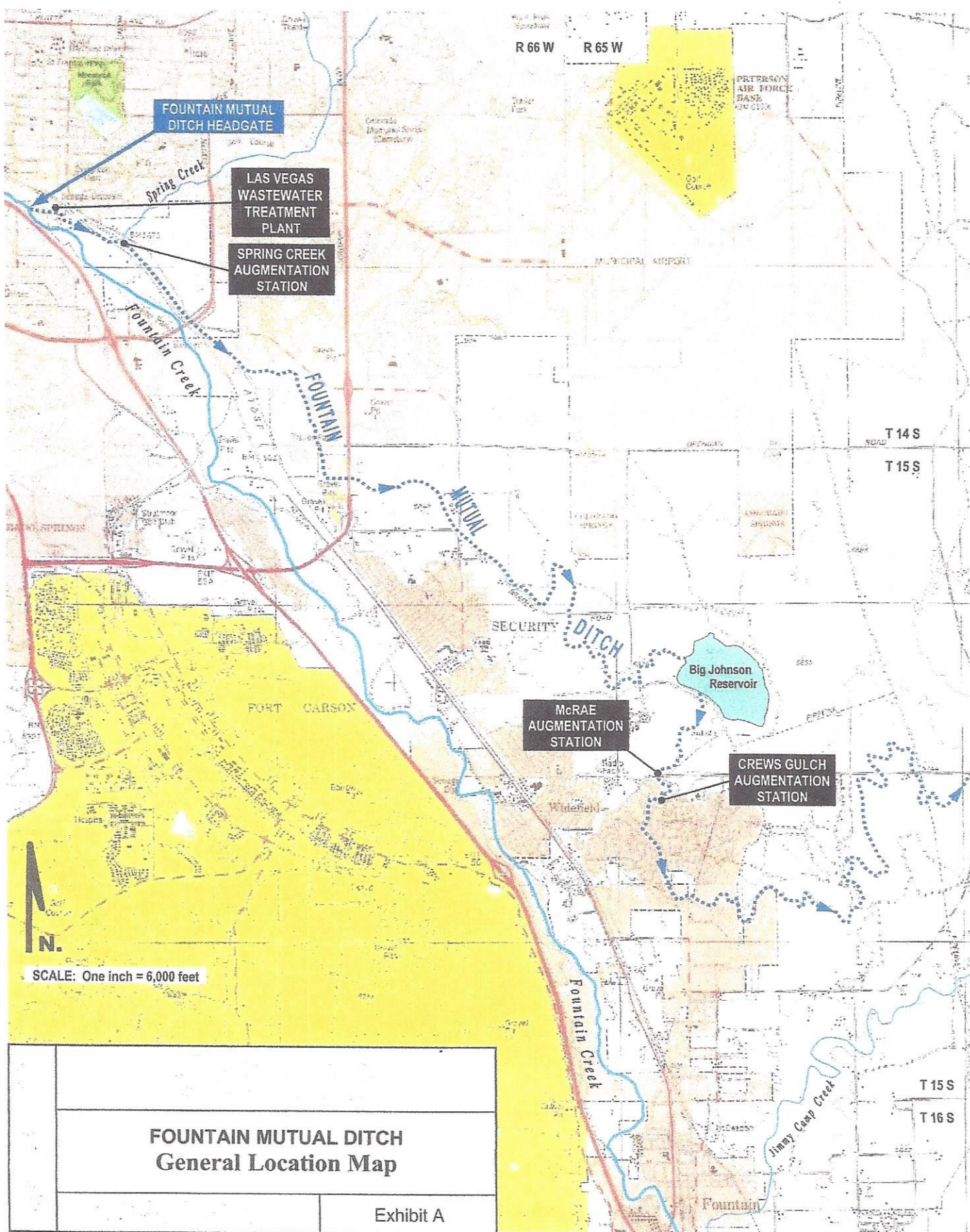
Easting \_\_\_\_\_

Northing \_\_\_\_\_

**3) Location Map showing the location of the mine site on a USGS Quad (1:24,000 Scale) or equivalent map.**

☒ Attached







**EXHIBIT B – Site Description**  
**Rule 6.3.2**

**1) Primary present land use (check one):**

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Cropland (CR)                            | <input type="checkbox"/> Pastureland (PL) | <input type="checkbox"/> General Agriculture (GA)   |
| <input type="checkbox"/> Rangeland (RL)                           | <input type="checkbox"/> Forestry (FR)    | <input type="checkbox"/> Wildlife Habitat (WL)      |
| <input type="checkbox"/> Residential (RS)                         | <input type="checkbox"/> Recreation (RC)  | <input type="checkbox"/> Industrial/Commercial (IC) |
| <input checked="" type="checkbox"/> Developed Water Resource (WR) |   |   |

Additional land use information:

Active irrigation/augmentation reservoir

**2) Current vegetative cover (check all that apply):**

- |                                  |                                  |   |
|----------------------------------|----------------------------------|---|
| <input type="checkbox"/> Grasses | <input type="checkbox"/> Trees   | <input checked="" type="checkbox"/> No vegetative cover |
| <input type="checkbox"/> Shrubs  | <input type="checkbox"/> Pasture | <input type="checkbox"/> Other: _____                   |

**3) Current Soil Characteristics:**

Silt, sandy & clay materials

*(This information is publically available and free. It may be obtained through the local office of the Natural Resources Conservation Service or obtained from [websoilsurvey.sc.egov.usda.gov](http://websoilsurvey.sc.egov.usda.gov) )*

**4) Are there any permanent manmade structures (homes, roads, bridges, power lines, fences, etc.) located within two hundred (200) feet of the permit boundary: (☒) Yes or (☐) No**

Structure: <u>Fence</u>	Owner: <u>Fountain Mutual Irrigation Co./FV School</u>
Structure: <u>Big Johnson Reservoir</u>	Owner: <u>Fountain Mutual Irrigation Co.</u>
Structure: _____	Owner: _____
Structure: _____	Owner: _____

\*Attach separate sheet if there are additional structures

**5) Are there any streams, springs, lakes, stock water ponds, ditches, reservoirs, and aquifers that would receive drainage directly from the mine: (☒) Yes or (☐) No**

If yes, please describe the water features: Big Johnson Reservoir

**6) (Optional) Please attach a Wildlife Statement prepared by the Colorado Parks and Wildlife.**

**7) (Optional) Additional site description information:**

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**EXHIBIT C - Mining Plan**  
**Rule 6.3.3**

The purpose of the mining plan is to describe how mining will affect the permit area for the duration of the operation.

- 1) Estimated dates of commencement: 9-1-20 and completion: 8-31-21

Note: Reclamation of all affected lands shall be completed within 12 months after issuance of the permit. An Operator possessing a 111(1)(b) Reclamation Permit must convert to the appropriate regular construction materials permit if extraction and export of materials from the site are not completed within 12 months after the issuance of the permit.

- 2) Depth of topsoil to be salvaged (check one):

☒ 4-6 inches      ☐ 6-8 inches  
☐ 8-10 inches      ☐ 10-12 inches  
☐ Other: \_\_\_\_\_  
☐ N/A, explain: No salvage of topsoil w/in reservoir due to re-filling of reservoir

- 3) Description of how topsoil will be stockpiled and stabilized:

Topsoil originally stockpiled on west side of reservoir (adj. to haul road) but has been removed by contractors; also stockpiled at north end of reservoir (also to be removed by contractors; will not be re-used w/in reservoir

- 4) Thickness of overburden needed to be moved: \_\_\_\_\_ feet or ☒ N/A

- 5) Thickness of deposit to be mined: 8 +/- feet

- 6) How will the mine be accessed: (☒) existing roads (☐) new roads will be created

- a. Please describe the existing roads:

Access to reservoir from Goldfield Dr., then existing dirt road from Goldfield Dr. to reservoir site

- b. If there will be new roads or road improvements, please describe the new roads and road improvements (note, new roads must be included in permitted acreage):

- 7) Will water be needed during the mining operation (check one): (☐) Yes or (☒) No

- a. If yes, please describe the source of the water and how much water will be used during the operation:

8) Will groundwater be encountered and/or surface water intercepted or disturbed (check one):  
(☒) Yes or (☐) No.

a. If yes, please describe:

From the filling & lowering operation of the water w/in the reservoir (yearly operation by Fountain Mutual Irrigation Co.). No ground water

9) (Optional) Please provide additional information about the Mining Plan:

(a.) Fountain Mutual Irrigation Co. will be primarily clearing out the bottom of the reservoir with silt material deposited over the past 100+ years and shaping the perimeter of reservoir to obtain the necessary 6:1 side slopes for the recommended reclamation area

(b.) The shoreline will be disturbed to obtain the necessary 6:1 side slope reclamation area

(c.) Temporary topsoil stockpiles have or will be removed w/in the next couple of months. Fountain Mutual Irrigation Co. personnel have stockpiled clay material along the west side of the reservoir, south of inlet to be used for clay lining material w/in the ditches. This material will be utilized throughout the coming year(s).

(d.) See note (c) explanation above.



**EXHIBIT D - Reclamation Plan**  
**Rule 6.3.4**

The purpose of the Reclamation Plan is to describe the timing, procedures, criteria and materials that will be used to reclaim the affected land to the proposed future land use. This plan must be correlated to Exhibit E - Map.

**1) Primary future (Post-mining) land use (check one):**

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Cropland (CR)                            | <input type="checkbox"/> Pastureland (PL) | <input type="checkbox"/> General Agriculture (GA)   |
| <input type="checkbox"/> Rangeland (RL)                           | <input type="checkbox"/> Forestry (FR)    | <input type="checkbox"/> Wildlife Habitat (WL) **   |
| <input type="checkbox"/> Residential (RS)                         | <input type="checkbox"/> Recreation (RC)  | <input type="checkbox"/> Industrial/Commercial (IC) |
| <input checked="" type="checkbox"/> Developed Water Resource (WR) |   |   |

\*\*Note: The Colorado Parks & Wildlife (CPW) must be consulted where wildlife use is the proposed future land use.

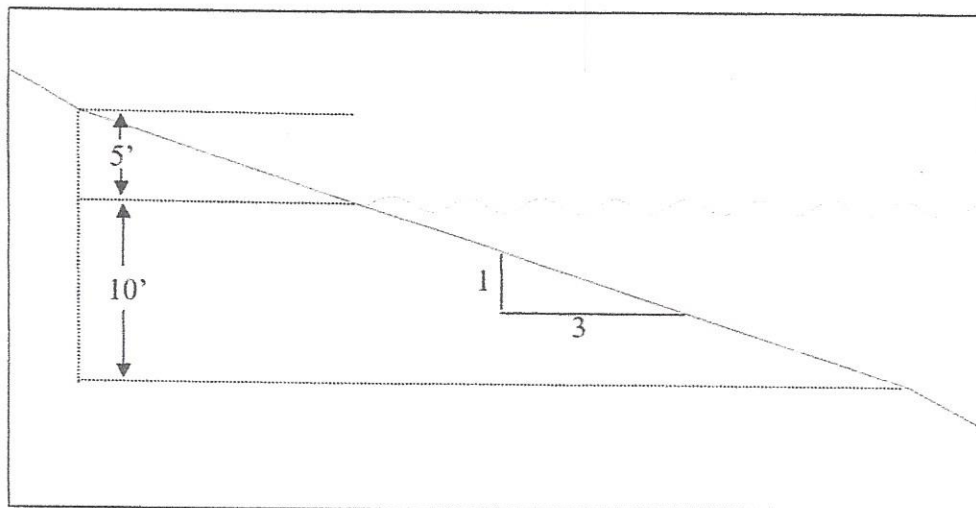
**2) Please provide a general description of how the mined area will be reclaimed:**

*Don't use as irrigation/augmentation reservoir*

**3) Specify which ponds, streams, roads and buildings, if any, will remain after reclamation. These features must be shown on the Exhibit E- Map:**

*Access roadway to silt removal area will move to outside perimeter of reservoir*

**Note: if ponds are a part of the Reclamation Plan, slopes from 5 vertical feet above to 10 vertical feet below the expected average water level cannot be steeper than 3H:1V; remaining slope lengths may not be steeper than 2H:1V (see example sketch below).**





- 4) What will the final grade of the reclaimed slopes be (horizontal:vertical): 6 : 1

(Note: If the Applicant proposes slopes steeper than 3H:1V (example 1H:1V, 2H:1V, etc.), please include a justification and a description on how the slope will be stabilized:

Regrade disturbed areas w/in reservoir once material is removed. This includes only the shoreline areas w/in the reservoir. This reclamation area (6:1 side slope area) is approximately 2.5 ac. and does not include the reservoir bottom.

- a. Please provide a general description of the backfilling and grading:

- 5) Depth of topsoil to be replaced (check one):

☐ 4-6 inches      ☐ 6-8 inches  
☐ 8-10 inches      ☐ 10-12 inches  
☐ Other: \_\_\_\_\_

☒ N/A, explain: None removed, none to be replaced

- 6) Explain how the seedbed will be prepared to eliminate compacted conditions:

N/A

- 7) Please provide a seed mix recommendation from the local office of the Natural Resources Conservation Service (specify the quantity of each grass and forb species as pounds of pure live seed [PLS] per acre) or pick a seed mix from the following list that best represents the climate zone at the mine; (check one):

- a. ☐ Dryland Quick Establishment

This general seed mixture is a combination of drought tolerant and adaptable grasses, which can establish quickly to control erosion. This mix is ideal for sites with an elevation less than 8,000 feet and is adapted to arid conditions.

Seed Mix	Species	Scientific Name	PLS Application Rate
Grasses	Intermediate Wheatgrass	<i>Thinopyrum intermedium</i>	2.50
	Slender Wheatgrass	<i>Elymus trachycaulus</i>	2.00
	Pubescent Wheatgrass	<i>Thinopyrum intermedium</i>	3.00
	Russian Wildrye	<i>Psathyrostachys juncea</i>	3.00
	Western Wheatgrass	<i>Pascoprum smithii</i>	2.00
	Sand Dropseed	<i>Sporobolus cryptandrus</i>	0.25

b. ☐ Zone 1, Eastern Plains

**Site Description:** The elevation of the plains is 6,000 feet or below. The general region is the Front Range, surrounding Denver Metro area and the Eastern Plains. Annual precipitation generally 12-18 inches per year. The average annual high temperature is 69°F with average annual low temperature of 37°F.

Seed	Common Name	Scientific Name	PLS Application
Grasses	Sideoats Grama	<i>Bouteloua curtipendula</i>	1.80
	Buffalograss	<i>Buchloe dactyloides</i>	6.25
	Western Wheatgrass	<i>Pascoprum smithii</i>	2.76
	Blue Grama	<i>Bouteloua gracilis</i>	0.49
	Green Needlegrass	<i>Stipa viridula</i>	1.44
	Little Bluestem	<i>Schizachyrium scoparium</i>	1.16
Forbs	Upright prairie coneflower	<i>Ratibida columnifera</i>	0.25

c. ☐ Zone 2, Foothills (Lower Montane)

**Site Description:** The elevation of the foothills ranges from 6,000 to 7,500 feet. The general region is the transition zone between the plains and the montane. Annual precipitation ranges from 12 to 18 inches per year. The average annual high temperature is 60°F with average annual low temperature of 29°F.

Seed	Common Name	Scientific Name	PLS Application
Grasses	Blue Grama	<i>Bouteloua gracilis</i>	0.49
	Needle and thread	<i>Hesperostipa comata</i>	2.30
	Western Wheatgrass	<i>Pascorum smithii</i>	2.76
	Little Bluestem	<i>Schizachyrium scoparium</i>	1.54
	Indian Ricegrass	<i>Oryzopsis hymenoides</i>	1.38
Forbs	Palmer's penstemon	<i>Penstemon palmeri</i>	0.20

d. ☐ Zone 3, Pinyon-juniper (Sagebrush Steppe, Western Plateau)

**Site Description:** The elevation of the foothills ranges from 6,000 to 7,500 feet. The general region is the transition zone between the plains and the montane. Annual precipitation average is around 9 inches per year. The average annual high temperature is 65°F with average annual low temperature of 40°F.

Seed	Common Name	Scientific Name	PLS Application
Grasses	Indian Ricegrass	<i>Acnatherum hymenoides</i>	1.85
	Western Wheatgrass	<i>Pascopyrum smithii</i>	2.76
	Needle and thread	<i>Hilaria jamesii</i>	3.03
	Galleta	<i>Elymus elymoides</i>	2.19
	Basin wild rye	<i>Leymus cinereus</i>	3.03
Forbs	Scarlett globemallow	<i>Sphaeralcea coccinea</i>	0.25

e. ☐ Zone 4, Montane

**Site Description:** The elevation of the Montane zone ranges from 7,500 to 9,300 feet. The general areas include the mountain resort towns and surrounding areas such as Georgetown, Steamboat Springs, Pagosa Springs, Crested Butte, Etc. Annual precipitation ranges from 18 to 60 inches per year. The average annual high temperature is 54°F with an average annual low temperature of 25°F.

Seed Mix	Common Name	Scientific Name	PLS Application Rate
Grasses	Mountain brome	<i>Bromus carinatus</i>	1.93
	Bluebunch wheatgrass	<i>Psuedoroegneria spicata</i>	3.71
	Idaho fescue	<i>Festuca idahoensis</i>	0.79
	Prairie junegrass	<i>Koeleria macrantha</i>	0.15
	Sandberg bluegrass	<i>Poa secunda</i>	0.37
Forbs	Common yarrow	<i>Achillea millefolium</i>	0.25



f. ☐ Zone 5, Sub-Alpine

**Site Description:** The elevation of the Sub-Alpine zone ranges from 9,300 to 11,400 feet. The general areas include but are not limited to Lake County, Summit County and areas adjacent to the Continental Divide. Annual precipitation is 40 inches per year and above. Average annual high temperature is 49° with average annual low temperature of 21°F.

Seed	Species	Scientific Name	PLS Application
Grasses	Mountain muhly	<i>Muhlenbergia montana</i>	0.23
	Fringed Bromegrass	<i>Bromus ciliatus</i>	2.00
	Prairie junegrass	<i>Koeleria macrantha</i>	0.15
	Elk sedge	<i>Carex geyeri</i>	2.90
	Idaho fescue	<i>Festuca idahonesis</i>	0.80
Forbs	Silvery Lupine	<i>Lupinus argenteus</i>	0.25

g. ☐ Zone 6, Alpine

**Site Description:** The elevation of the Alpine zone range is 11,400 feet and above. The general area includes all areas above timberline. Annual precipitation ranges from 20 to 25 inches per year. Average annual high temperature is 52°F and an average annual low temperature of 18°F.

Seed	Species	Scientific Name	PLS Application
Grasses	Tufted hairgrass	<i>Deschampsia cespitosa</i>	0.40
	Alpine bluegrass	<i>Poa alpine</i>	0.40
	Spike trisetum	<i>Trisetum spicatum</i>	0.17
	Alpine timothy	<i>Phleum alpinum</i>	0.35

8) How will the selected seed mixture be seeded (check one):

- ☐ Drilled ☐ Broadcast\*\*  
☐ Other: \_\_\_\_\_

\*\* - The PLS seeding rates on the seed mixtures provided in Question 7 above and standard drill seeding rates should be doubled if the seed is to be broadcast.

9) State the type, application rate, and soil incorporation methods of fertilizer, if any:

N/A  
 \_\_\_\_\_  
 \_\_\_\_\_

10) State the species, establishment method (type/size), and number of each shrub and/or tree to be established per acre, if any:

N/A  
 \_\_\_\_\_  
 \_\_\_\_\_



11) State the type, application rate, and crimping method of mulch, if any:

N/A

12) (Optional) Please provide additional information about the Reclamation Plan:

(a) Any areas disturbed outside of the permit area are native grasses and susceptible to water inundation when refilling the reservoir. No revegetation is planned for this area.

(b) Fountain Michael Irrigation Company has two different types of water to diverted into the reservoir, direct surface water rights, and a storage right. These water rights are all on Fountain Creek, tributary to the Arkansas River. Please see the following:

Fnt. Creek Priority	Total Decree (cfs)
4	9.84 (FMIC owns 5.38)
7	1.125
11	16.69
17	4.25
21	4.65
28	8.48
29	9.68
41	17.05
168	343.2 (Storage Rt. for Btg Johnson Res.)

## EXHIBIT E - Maps

### Rule 6.3.5

The Operator/Applicant must provide at least two maps which clearly describes the features associated with the Mining Plan and the components of the Reclamation Plan. The Mining Plan Map and the Reclamation Plan Map must satisfy the general map requirements of Rule 6.2.1(2), and illustrate the information specified under Rules 6.3.2(b), 6.3.3, 6.3.4, and 6.3.5. The maps must show the name of the Applicant, signed and dated, an appropriate scale not larger than 1 inch = 50 feet nor smaller than 1 inch = 660 feet, legend, title, and a north arrow. Multiple maps may be used to depict the required information below. It may be helpful to include an aerial photo and label the required information on the aerial photo. The Applicant may choose to use the following two optional templates for the Mining Plan Map and Reclamation Plan Map or attach separate maps.

#### 1) Mining Plan Map Checklist:

- a. ☒ Outline and label the permit boundaries;
- b. ☒ Label the surface and subsurface owner(s) of the permit area;
- c. ☒ Label all surface owners within 200 feet of the permit boundary;
- d. ☒ Show all permanent man-made structures within the permit boundary and within two hundred (200) feet of the permit boundary and label the owners of the structures;
- e. ☒ Outline and label all major surface features to be used in the project (existing and proposed roads, pit boundary, and topsoil, overburden, and product stockpiles);
- f. ☒ Indicate the direction that the construction material extraction will proceed; and
- g. ☒ Show the existing topography (contour lines of sufficient detail are required to portray the direction and rate of slope of the affected land).

#### 2) Reclamation Plan Map Checklist:

- a. ☒ Show the proposed gradient of all reclaimed slopes (horizontal:vertical) sufficient to describe the post mine topography;
- b. ☐ N/A If ponds are a part of the Reclamation Plan, outline the final shore configuration of the ponds and shallow areas if the future land use is for wildlife;
- c. ☐ N/A State the average thickness of replaced overburden;
- d. ☐ N/A State the average thickness of replaced topsoil;
- e. ☐ N/A Depict any features which will remain after mining is completed, if applicable; and
- f. ☐ N/A Outline areas where seeding will occur or different seed mixtures will be used.











**EXHIBIT F - Other Permits and Licenses**  
**Rule 6.3.6**

- 1) Please identify which of the following permits, licenses and approvals which are held or will be sought in order to conduct the proposed mining and reclamation operations (check all that apply):

<input checked="" type="checkbox"/> County zoning and land use permits	<input checked="" type="checkbox"/> City zoning and land use permits
<input checked="" type="checkbox"/> Effluent discharge permits	<input checked="" type="checkbox"/> Air quality emissions permits
<input checked="" type="checkbox"/> Radioactive source materials licenses	<input checked="" type="checkbox"/> Explosives permits
<input checked="" type="checkbox"/> Permit to construct a dam	<input checked="" type="checkbox"/> Well permits
<input checked="" type="checkbox"/> Highway access permits	<input checked="" type="checkbox"/> State Historic Preservation Office
<input checked="" type="checkbox"/> U.S. Forest Service permits	<input checked="" type="checkbox"/> Bureau of Land Management permits
<input checked="" type="checkbox"/> Disposal of dredge and fill material (404) permits	
<input type="checkbox"/> Other: _____	

- a. (Optional) If available, please enclose with this application copies of the permits, licenses and approvals identified above or provide proof of filing.

**EXHIBIT G - Source of Legal Right to Enter  
Rule 6.3.7**

1) Name of owner(s) to the surface of affected land:

Fountain Mutual Irrigation Co. (FMIC)

2) Name of owner(s) to the subsurface rights of affected land:

Fountain Mutual Irrigation Co. (FMIC)

3) Provide a description of the basis for legal right of entry to the site and to conduct mining and reclamation for Owners of Record described in Rule 1.6.2(1)(e)(i). This may be a copy of access lease, deed, abstract of title, or a current tax receipt. A signed statement by the Landowner(s) and acknowledged by a Notary Public stating that the Operator/Applicant has legal right to enter and is also acceptable.



El Paso County, Colorado

**MARK LOWDERMAN, TREASURER**

DATE January 8, 2020

PROPERTY TAX STATEMENT  
TAXES FOR 2019 DUE 2020

**TYPE OF PROPERTY**

REAL PROPERTY

**SCHEDULE (ACCOUNT) NUMBER**

55000-00-009

**PROPERTY LOCATION**

0 GOLDFIELD DR

**PROPERTY DESCRIPTION**

RESERVOIR IN SE4SE4 SEC 7-15-65  
RESERVOIR IN S2 SEC 8-15-65  
RESERVOIR IN N2, N2S2 SEC  
17-15-65 N2NE4NE4 SEC 18-15-65

23980

55000-00-009

FOUNTAIN MUTUAL IRRIGATION CO

PO BOX 75292

COLORADO SPRINGS CO 80970-5292



TAX DISTRICT	DBV	ACTUAL VALUE	ASSESSED VALUE
		\$ 13,444	\$ 3,900
<b>TAX RATE</b>	<b>TAX AUTHORITY</b>	<b>TAX AMOUNT</b>	
0.007222	* EL PASO COUNTY	28.17	
0.000330	EPC ROAD & BRIDGE (UNSHARED)	1.29	
0.040058	WIDEFIELD SCHOOL NO 3 - GEN	156.23	
0.009632	WIDEFIELD SCHOOL NO 3 - BOND	37.56	
0.004733	SD 3 WIDEFIELD COMMUNITY CENTER	18.46	
0.001973	SD 3 SECURITY PUBLIC LIBRARY	7.69	
0.000902	* SOUTHEASTERN COLO WATER CONSERVANCY	3.52	
	EL PASO COUNTY TABOR REFUND	-2.02	
	*TEMPORARY TAX RATE REDUCTION/TAX CREDIT		
0.064850	<b>TOTAL TAX RATE</b>	<b>TOTAL TAXES PAYABLE</b>	<b>\$ 250.90</b>

**EXHIBIT H - Municipalities Within a Two Mile Radius**  
**Rule 6.3.8**

- 1) Please list all municipalities (mailing address and telephone of the governing body) located within a two mile radius of the mine:

Municipality: City of Colorado Springs  
Address: 127 E. Kiowa  
Telephone: (719) 634-7880

Municipality: City of Fountain  
Address: 116 So. Main Street  
Telephone: (719) 322-2000



**EXHIBIT I - Proof of Filing with County Clerk  
Rule 6.3.9**

- 1) Please provide an affidavit or receipt indicating the date on which the mine application was placed with the local County Clerk and Recorder for public review, pursuant to Subparagraph 1.6.2(1)(c).**

Note: There is a template below for proof of filing with the local County Clerk and Recorder. The Division will accept the completed template OR proof of delivery in the form of a signed certified mail return receipt.

**Proof of Filing with County Clerk**

I, Amanda Abrahamson the County Clerk for El Paso County;  
have received the application package for a 111(1)(b) Reclamation Permit under provisions of the  
Colorado Land Reclamation Act for the Extraction of Construction Materials and have made the  
materials available for public review. The proposed mine is known as the (Name of the Mine)  
Fountain Mutual Irrigation Co. Big Johnson Reservoir, and is located at or near Section 8,  
Township 15, Range 65, 6<sup>th</sup> Principal Meridian.

 01/21/2021  
Signature Date

**EXHIBIT J - Proof of Mailing of Notices to Board of County  
Commissioners and Soil Conservation District  
Rule 6.3.10**

- 1) Please provide proof that notices of the permit application were sent to the Board of County Commissioners and, if the mining operation is within the boundaries of a Soil Conservation District, to the Board of Supervisors of the Soil Conservation District, pursuant to Subparagraph 1.6.2(1)(a)(ii).

Note: There are two templates below for the proof of notice for the County Commissioners and Soil Conservation District. The Division will accept copies of the completed templates OR proof of delivery in the form of a signed certified mail return receipts.

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY																
<ul style="list-style-type: none"><li>■ Complete items 1, 2, and 3.</li><li>■ Print your name and address on the reverse so that we can return the card to you.</li><li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li></ul> <p>1. Article Addressed to:</p> <p style="margin-left: 40px;"><i>El Paso County Board of Commissioners 200 So. Cascade Ave. Colorado Springs, CO 80903</i></p> <div style="text-align: center;"> 9590 9402 5709 9346 9617 82</div> <p>2. Article Number (Transfer from service label)</p> <p style="margin-left: 40px;"><b>7019 2970 0001 2047 1231</b></p> <p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>	<p>A. Signature</p> <p><b>X</b> </p> <p>B. Received by (Printed Name) <i>CLG</i></p> <p>C. Date of Delivery <i>9/5</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input checked="" type="checkbox"/> No</p> <p>3. Service Type</p> <table style="width: 100%;"><tr><td><input type="checkbox"/> Adult Signature</td><td><input type="checkbox"/> Priority Mail Express®</td></tr><tr><td><input type="checkbox"/> Adult Signature Restricted Delivery</td><td><input type="checkbox"/> Registered Mail™</td></tr><tr><td><input type="checkbox"/> Certified Mail®</td><td><input type="checkbox"/> Registered Mail Restricted Delivery</td></tr><tr><td><input type="checkbox"/> Certified Mail Restricted Delivery</td><td><input type="checkbox"/> Return Receipt for Merchandise</td></tr><tr><td><input type="checkbox"/> Collect on Delivery</td><td><input type="checkbox"/> Signature Confirmation™</td></tr><tr><td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td><td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td></tr><tr><td><input type="checkbox"/> Insured Mail</td><td></td></tr><tr><td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td><td></td></tr></table> <p style="text-align: right;">Domestic Return Receipt</p>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Insured Mail		<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	
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SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY																
<ul style="list-style-type: none"><li>■ Complete items 1, 2, and 3.</li><li>■ Print your name and address on the reverse so that we can return the card to you.</li><li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li></ul> <p>1. Article Addressed to:</p> <p style="margin-left: 40px;"><i>Soil Conservation Service 5610 Industrial Loop Colorado Springs, CO 80916</i></p> <div style="text-align: center;"> 9590 9402 5709 9346 9617 75</div> <p>2. Article Number (Transfer from service label)</p> <p style="margin-left: 40px;"><b>7016 0750 0000 7947 6469</b></p> <p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>	<p>A. Signature</p> <p><b>X</b> </p> <p>B. Received by (Printed Name) <i>B Cha</i></p> <p>C. Date of Delivery <i>9/4/20</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type</p> <table style="width: 100%;"><tr><td><input type="checkbox"/> Adult Signature</td><td><input type="checkbox"/> Priority Mail Express®</td></tr><tr><td><input type="checkbox"/> Adult Signature Restricted Delivery</td><td><input type="checkbox"/> Registered Mail™</td></tr><tr><td><input type="checkbox"/> Certified Mail®</td><td><input type="checkbox"/> Registered Mail Restricted Delivery</td></tr><tr><td><input type="checkbox"/> Certified Mail Restricted Delivery</td><td><input type="checkbox"/> Return Receipt for Merchandise</td></tr><tr><td><input type="checkbox"/> Collect on Delivery</td><td><input type="checkbox"/> Signature Confirmation™</td></tr><tr><td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td><td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td></tr><tr><td><input type="checkbox"/> Insured Mail</td><td></td></tr><tr><td><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</td><td></td></tr></table> <p style="text-align: right;">Domestic Return Receipt</p>	<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> Insured Mail		<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)	
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<input type="checkbox"/> Insured Mail																	
<input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)																	



# NOTICE

This site is the location of a proposed mining operation. FMIC Big Johnson Reservoir  
(Name of the Applicant/Operator), whose address and phone number is 5550 Goldfield Dr.,  
Colorado Springs, CO 80911 (719) 598-9913 (Address and Phone Number of the  
Applicant/Operator), has applied for a Reclamation Permit with the Colorado Mined Land Reclamation  
Board. Anyone wishing to comment on the application may view the application at the El Paso  
County Clerk and Recorder's Office, 1675 W. Garden of the Gods Rd., Col. Springs, CO 80907  
(Clerk and Recorder's Office Address), and should send comments prior to the end of the public comment  
period to the Division of Reclamation, Mining, and Safety, 1313 Sherman St., Room 215, Denver,  
Colorado 80203.

## Certification:

I, Gary L. Steen, hereby certify that I posted a sign containing the above  
notice for the proposed permit area known as the (Name of Operation) Big Johnson Reservoir,  
on (Date Posted) 9/22/20.

Gary L. Steen  
SIGNATURE

9/10/20  
DATE

9/8 from BCC  
mg received 9/14

NOTICE OF FILING APPLICATION  
FOR COLORADO MINED LAND RECLAMATION PERMIT  
FOR CONSTRUCTION MATERIALS SPECIAL OPERATION 111(1)(b)

NOTICE TO THE BOARD OF COUNTY COMMISSIONERS  
El Paso COUNTY

Fountain Mutual Irrigation Co. (FMIC) Big Johnson Reservoir (the "Applicant/Operator") has applied for a Construction Materials Special Operation 111(1)(b) Reclamation Permit from the Colorado Mined Land Reclamation Board (the "Board") to conduct mining operations in El Paso county. The attached information is being provided to notify you of the location and nature of the proposed operation. The entire application is on file with the Division of Reclamation, Mining, and Safety (the "Division") and the local county clerk and recorder.

The applicant/operator proposes to reclaim the affected land to Reservoir use. Pursuant to Section 34-32.5-116(4)(m), C.R.S., the Board may confer with the local Board of County Commissioners before approving of the post-mining land use. Accordingly, the Board would appreciate your comments on the proposed operation. Please note that, in order to preserve your right to a hearing before the Board on this application, you must submit written comments on the application within five (5) working days after the application was filed with the Division.

If you would like to discuss the proposed post-mining land use, or any other issue regarding this application, please contact the Division of Reclamation, Mining, and Safety, 1313 Sherman St., Room 215, Denver, Colorado 80203, (303) 866-3567.

NOTE TO APPLICANT/OPERATOR: You must attach a copy of the application form (pages 1-5) to this notice. If this is a notice of a change to a previously filed application you must either attach a copy of the changes, or attach a complete and accurate description of the change.

Received by: Maureen Phanning

Received by BCC 9/8

Notice to BCD 9/8

[Signature]

Signature

9/14/20

Date

NOTICE OF FILING APPLICATION  
FOR COLORADO MINED LAND RECLAMATION PERMIT  
FOR CONSTRUCTION MATERIALS SPECIAL OPERATION 111(1)(b)

NOTICE TO THE BOARD OF SUPERVISORS  
OF THE LOCAL CONSERVATION DISTRICT  
Nat'l Res. Soil Conservation DISTRICT

Fountain Mutual Irrigation Co. (FMIC) (the "Applicant/Operator") has applied for a Construction Materials Special Operation 111(1)(b) Reclamation Permit from the Colorado Mined Land Reclamation Board (the "Board") to conduct mining operations in El Paso county. The attached information is being provided to notify you of the location and nature of the proposed operation. The entire application is on file with the Division of Reclamation, Mining, and Safety (the "Division") and the local county clerk and recorder.

The applicant/operator proposes to reclaim the affected land to Big Johnson Reservoir use. Pursuant to Section 34-32.5-116(4)(m), C.R.S., the Board may confer with the local Conservation Districts before approving of the post-mining land use. Accordingly, the Board would appreciate your comments on the proposed operation. Please note that, in order to preserve your right to a hearing before the Board on this application, you must submit written comments on the application within five (5) working days after the application was filed with the Division.

If you would like to discuss the proposed post-mining land use, or any other issue regarding this application, please contact the Division of Reclamation, Mining, and Safety, 1313 Sherman St., Room 215, Denver, Colorado 80203, (303) 866-3567.

**NOTE TO APPLICANT/OPERATOR:** You must attach a copy of the application form (pages 1-5) to this notice. If this is a notice of a change to a previously filed application you must either attach a copy of the changes, or attach a complete and accurate description of the change.

Received by: 

  
Signature

9-24-2020  
Date





## COLORADO

Division of Reclamation,  
Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215  
Denver, CO 80203

### PERFORMANCE WARRANTY

Permittee/Operator: Fountain Mutual Irrigation Company

Operation known as: Big Johnson Reservoir

Permit Number: M-2020-028

*This form is approved by the Colorado Mined Land Reclamation Board ("Board") pursuant to C.R.S. 34-32-117 of the Colorado Mined Land Reclamation Act and C.R.S. 34-32.5-117 of the Colorado Land Reclamation Act for the Extraction of Construction Materials.*

All parties are on Notice from this Document that:

The above listed Operator provides this warranty to the Board in conjunction with a reclamation Permit to conduct the above described mining operation on certain lands in Colorado. The "Affected Lands" are described in the above listed reclamation Permit, and include any Permit Amendment(s) approved by the Division of Reclamation Mining and Safety ("Division").

The Colorado Mined Land Reclamation Act, C.R.S. 34-32-101 *et seq.* ("Hard Rock Act"), and the Colorado Land Reclamation Act for the Extraction of Construction Materials, C.R.S. 34-32.5-101 *et seq.* ("Construction Materials Act"), both require a permit issued by the Board to include a written promise by the Operator to comply with all requirements of the Hard Rock and Construction Materials Acts (referred to herein together as "Acts").

Through the terms and conditions of this performance warranty and Permit, the Operator agrees to be bound by all requirements of the Acts and all Mineral Rules and Regulations of the Board for Hard Rock, Metal, and Designated Mining Operations (2 C.C.R. 407-1) and all Mineral Rules and Regulations of the Board for the Extraction of Construction Materials (2 C.C.R. 407-4) (referred to herein together as "Rules").

The Operator hereby provides the Board warranties of performance pursuant to C.R.S. 34-32-117(2), (3), and (4)/C.R.S. 34-32.5-117(2), (3), and (4), and promises the Board it will comply with all applicable requirements of the Acts and Rules.

The Operator hereby promises the Board it will comply with all of the terms of the reclamation Permit, including any Permit Amendment(s) approved by the Division. This performance warranty obligation of the Operator shall continue until the Operator's liability is released by the Board.

The Operator promises to be responsible for reclamation costs up to the amount established by the Board and incorporates its financial warranty to this performance warranty. The Operator agrees to maintain a financial warranty (or warranties) in good standing for the reclamation costs for the entire life of the



Permit. The amount of the financial warranty shall be sufficient to assure the completion of reclamation of affected lands if the Division has to complete such reclamation due to forfeiture. If the Board determines the Operator is in default under this performance warranty and the Operator fails to cure such default, the Operator's financial warranty shall be subject to forfeiture pursuant to C.R.S. 34-32-118/34-32.5-118.

This performance warranty by the Operator is perpetual and shall remain in full force and effect until all obligations have been met and all associated financial warranty is released by the Board. Any release of liability in a succession of Operators shall comply with C.R.S. 34-32-119/34-32.5-119.

The provisions hereof shall bind and inure to the benefit of the parties hereto and their successors and assigns.

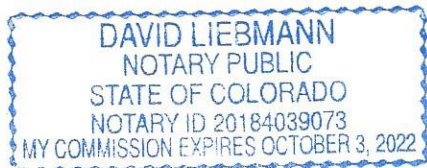
SIGNED, SEALED AND DATED this 30<sup>th</sup> day of November, 20 20.

Operator: Fountain Mutual Irrigation Company  
Signature: [Signature]  
Name: Gary L. Steen  
Title: Manager

#### NOTARIZATION OF OPERATOR'S ACKNOWLEDGEMENT

STATE OF Colorado )  
COUNTY OF El Paso ) ss.

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of November, 20 20  
(Day) (Month) (Year)  
by Gary L. Steen as Manager  
(Name) (Title)  
of Fountain Mutual Irrigation Company  
(Operator)



[Signature]  
NOTARY PUBLIC

My Commission expires: 10/03/2022

APPROVED:  
State of Colorado  
Mined Land Reclamation Board  
Division of Reclamation, Mining and Safety

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Division Director



# STATE OF COLORADO

## DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

1313 Sherman St., Room 215

Denver, Colorado 80203

Phone: (303) 866-3567

FAX: (303) 832-8106



### FINANCIAL WARRANTY

### CHECK FOR DEPOSIT IN STATE TREASURY

Operator Fountain Mutual Irrigation Company  
Operation Big Johnson Reservoir  
Permit No. M-2020-028 Check No. 12733

*This form has been approved by the Mined Land Reclamation Board pursuant to sections 34-32-117, C.R.S., of the Mined Land Reclamation Act and 34-32.5-117, C.R.S., of the Colorado Land Reclamation Act for the Extraction of Construction Materials. Any alteration or modification of this form, without approval by the Board shall result in the financial warranty being invalid and result in the voiding of any permit issued in conjunction with such invalid financial warranty and subject the operator to cease and desist orders and civil penalties for operating without a permit pursuant to sections 34-32-123, C.R.S., of the Mined Land Reclamation Act and 34-32.5-123, C.R.S., of the Colorado Land Reclamation Act for the Extraction of Construction Materials.*

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, the Colorado Mined Land Reclamation Act, C.R.S. 1973, 34-32-101 et seq. (the "Act"), as amended, provides that no permit may be issued under the Act until the Mined Land Reclamation Board (the "Board") receives a financial warranty (or warranties) as described in the Act.

WHEREAS, Fountain Mutual Irrigation Company (the "Operator"), a Colorado corporation, has applied for a permit to conduct a mining operation known as Big Johnson Reservoir (the "Operation"), on certain lands in El Paso County, Colorado. These are described in the permit application, as amended and supplemented, and are referred to herein as the "Affected Lands".

WHEREAS, in the application for the permit the Operator has agreed to be bound by all requirements of the Act and all applicable rules and regulations of the Board, as amended from time to time.

WHEREAS, in the application for the permit, the Operator has agreed with the Board to provide for reclamation of the Affected Lands, that are now or may become subject to the permit, as required by law.

WHEREAS, the Board has determined in accordance with the Act that the estimated costs of reclamation of the Affected Lands are those amounts for the stated periods of time as set forth herein. Said amount may be amended from time to time to reflect revised estimates of said costs of reclamation.

WHEREAS, the Board has determined that the financial warranty by the Operator equals the estimated costs of reclamation, as approved by the Board, with regard to the Affected Lands.

WHEREAS, the Operator, in accordance with the Act has promised and hereby promises the Board that it will be responsible for all of the estimated costs of reclamation with regard to the Affected Lands.

WHEREAS, as proof of its financial responsibility the Operator has proceeded pursuant to Section 34-32-117(3)(a) of the Act and has executed a personal check, business check, cashier's check, or certified check No. 12733, payable to the Mined Land Reclamation Board in the amount of Seventy Five Thousand dollars (\$75,000.00).

The Board has deposited the executed personal or business check, cashier's check or certified funds in the State of Colorado Treasury ("state treasury"). The above-mentioned sum is to be held as proof of the Operator's financial responsibility under this financial warranty.

The Operator has provided to the Board as proof of its authority to execute the above-mentioned personal or business check, by one of the following methods, as it applies to the Operator:

1. If the operator is a corporation, a copy of the corporate resolution, specifying the individuals that have authority to execute checks on behalf of the corporation.
2. If the Operator is a partnership, a copy of the partnership resolution, specifying the individuals that have authority to execute checks on behalf of the partnership.
3. If the Operator is an individual or a sole proprietor, confirmation from the bank stating the individuals that have authority to execute the above-mentioned check.

If the Operator has elected to proceed with a personal or business check, this financial warranty is not effective until the personal or business check has cleared the bank upon which it was drawn.

NOW THEREFORE, the operator is held hereby firmly unto the State of Colorado in the amount of those sums for those periods of time as set forth herein, until this financial warranty is amended or released in accordance with applicable law.

The Board may, for good cause shown, increase or decrease the amount and duration of this Financial Warranty. The Operator shall have sixty (60) days after the date of notice of any such adjustment to fulfill all new requirements.

The Operator shall notify the Board immediately of any event which may impair this Financial Warranty. If the Board receives such notice or otherwise has reason to believe that this Financial Warranty has been materially impaired, it may convene a hearing in accordance with the Act for the purpose of determining whether impairment has occurred.

The Board may withdraw the funds deposited in the state treasury held hereunder, if the Board determines that reclamation which ought to have been performed by the Operator, or its successors or assigns, remains unperformed. No other condition precedent need be fulfilled to entitle the Board to receive the funds deposited in the state treasury.



In the event of forfeiture of this financial warranty by the Board, if upon completion of reclamation by the Board the cost of reclamation shall be less than the amount received from the state treasury, the excess shall be promptly refunded to the Operator.

The obligation of the Operator shall continue until the Board has released this financial warranty or has ordered it forfeited in accordance with applicable provisions of the Act. It is understood that periods of years may necessarily be required before determination can be made that reclamation of the Affected Lands has been satisfactorily completed. It is also recognized that, as reclamation is accomplished, the amount of this financial warranty may be reduced with the approval of the board so that it reflects the then current estimated cost of the remaining reclamation of the Affected Lands. No revision, extension, or renewal of the permit or of the time allowed to complete reclamation shall diminish the Operator's obligation under this Financial Warranty.

Upon completion of reclamation by the Operator, and if the Board finds the reclamation satisfactory, the Board shall release the Financial Warranty and cause the state treasury to issue a check payable to the Operator in the amount of the original Financial Warranty and to include all accrued interest.

In any single year during the life of the permit, the amount of the Financial Warranty shall not exceed the estimated cost of fully reclaiming all lands to be affected in said year, plus all lands affected in previous permit years and not yet fully reclaimed. Reclamation costs shall be computed with reference to current reclamation costs.

The amount of this Financial Warranty is based upon estimates as to the cost of reclamation, and does not operate to liquidate, limit, enlarge, or restrict the Operator's obligations to complete the reclamation, even though the actual costs thereof may substantially exceed the amount of this Financial Warranty.

This Financial Warranty shall be subject to forfeiture whenever the Board determines that any one or more of the following circumstances exist:

1. A Cease and Desist Order entered pursuant to Section 34-32-124 of the Act has been violated, and the corrective action proposed in such order has not been completed although ample time to have done so has elapsed; or
2. The Operator is in default under its Performance Warranty, and such default has not been cured although written notice and ample time to cure such default has been given; or
3. The Operator has failed to maintain its Financial Warranty in good standing as required by the Act; or
4. The Operator no longer has the financial ability to carry out its obligations in accordance with the Act.

The description of lands herein is for convenience of reference only, and no error in such description, nor any revision of the permitted mining area, nor the disturbance by the Operator of lands outside of the permitted mining area shall alter or diminish the obligations of the Operator hereunder, which shall extend to the reclamation of all such lands disturbed.

If this Financial Warranty applies to National Forest System lands, and if this Financial Warranty is accepted by the United States Forest Service ("U.S.F.S.") as the bond required under 36 C.F.R. 228.13, then, the Operator having requested that the Board and the U.S.F.S. accept this single Financial Warranty in lieu of the separate bonds which would otherwise be required by applicable law, hereby agrees that, notwithstanding any other provision hereof, or of law, this Financial Warranty shall remain in full force and effect until U.S.F.S. has advised the Board by written notice that the Operator's obligations to U.S.F.S. for which this warranty is executed have been satisfied and until its release has been approved by the Board.

If this Financial Warranty applies to lands under the jurisdiction of the State Board of Land Commissioners ("Land Board"), and if this Financial Warranty, in whole or in part, is accepted by the Land Board as the bond required under its applicable law and procedures, then, the Operator having requested that the state accept this Financial Warranty in lieu of the separate bonds which would otherwise be required by the Colorado Mined Land Reclamation Board or Division of Reclamation, Mining and Safety and by the Land Board, hereby agrees that, notwithstanding any other provision hereof, or of law, this Financial Warranty shall remain in full force and effect until the Board is notified in writing by the Land Board that the Operator's obligations to the Land Board, for which this warranty is executed, have been satisfied and until its release is approved by the Board.

If all or any part of the Affected Lands are under the jurisdiction of the Bureau of Land Management, United States Department of the Interior, ("the BLM") and if at the request of the Operator on this Financial Warranty the BLM has, pursuant to 43 C.F.R. 3809.1-9, accepted this Financial Warranty in lieu of requiring a separate reclamation bond payable to the United States, then, notwithstanding any other provision of this Financial Warranty, or of law, the Operator hereby agrees that this Financial Warranty shall not be released until the Board is advised in writing by the BLM that the Operator's obligations to the BLM, for which this warranty is executed, have been satisfied and until its release is approved by the Board.

This Financial Warranty may be executed in multiple copies, each of which shall be treated as an original, but together they constitute only one agreement, the validity and interpretation of which shall be governed by the laws of the State of Colorado.

The provisions hereof shall bind and inure to the benefit of the parties hereto and their successors and assigns.

Signed and dated this 30<sup>th</sup> day of November, 2020.

Fountain Mutual Irrigation Company (SEAL)  
Operator

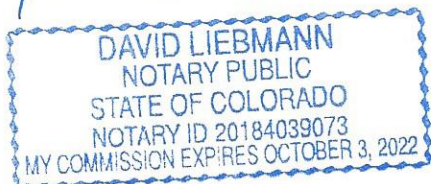
By: [Signature]  
Authorized Signature

Manager  
Title

#### NOTARIZATION OF OPERATOR'S ACKNOWLEDGEMENT

STATE OF Colorado )  
COUNTY OF El Paso ) ss.

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of November, 2020,  
by Gary G. Steen as Manager of Fountain Mutual Irrigation Company



[Signature]  
NOTARY PUBLIC

My Commission expires: 10/03/2022



APPROVED:

State of Colorado  
Mined Land Reclamation Board  
Division of Reclamation, Mining and Safety

By: \_\_\_\_\_  
Division Director

Date: \_\_\_\_\_

12733

**FOUNTAIN MUTUAL IRRIGATION CO**  
P.O. BOX 75292  
COLORADO SPRINGS, CO 80970

**VECTRA BANK**  
COLORADO SPRINGS BRANCH  
111 S. TEJON ST. STE. 103  
COLORADO SPRINGS, CO 80903  
REDI-RESPONSE 1-800-232-8948 (24-HOUR ACCOUNT INFORMATION)



23-315/1020

11/19/2020

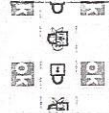
PAY TO THE  
ORDER OF Mined Land Reclamation Board

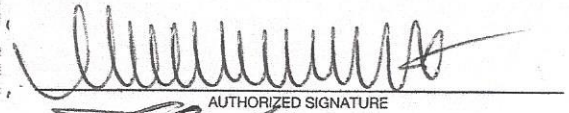
\$ \*\*75,000.00

Seventy-Five Thousand and 00/100\*\*\*\*\*

DOLLARS

Mined Land Reclamation Board



  
AUTHORIZED SIGNATURE

MEMO

Big Johnson Mining Permit

⑈00012733⑈ ⑆102003154⑆ 4470222957⑈

Security features. Details on back.







## COLORADO

Division of Reclamation,  
Mining and Safety

Department of Natural Resources

### **Documentation of Legal Authority to Execute Financial Warranty Documents**

*The Colorado Mined Land Reclamation Board ("Board") has adopted the attached Affidavit of Authority to Execute Financial Warranty Documents pursuant to the Mined Land Reclamation Act (C.R.S. § 34-32-101 et. seq.) and the Land Reclamation Act for the Extraction of Construction Materials (C.R.S. § 34-32.5-101 et. seq.). The Board and the Division of Reclamation Mining and Safety ("Division") have determined that, in order to carry out the financial warranty requirements set forth in C.R.S. §§ 34-32-117 and 34-32.5-117 with reasonable diligence, it is prudent to verify the legal authority of the individual signing all necessary documents.*

*Accordingly, you must provide confirmation of the legal authority of the individual signing all Financial Warranty Documents to the Division. You may do so either by submitting a resolution of the decision-making body of your company that authorizes an individual to sign the Financial Warranty Documents on the company's behalf, or by completing and notarizing the attached affidavit. The Division reserves the right to require the attached affidavit in all circumstances. Please note that if you are a sole proprietor who is executing documents on your own behalf, documentation of legal authority is unnecessary.*



**Affidavit of Authority to Execute Financial Warranty Documents**

Before me this day, the undersigned Gary L. Steen [name of authorized person], in his/her capacity as Manager [title of authorized person] ("Affiant"), personally appeared and, being first duly sworn upon oath said:

1. This affidavit is being executed and submitted on behalf of Fountain Mutual Irrigation Company [name of business organization], a(n) Corporation [legal form of business organization, e.g., corporation, partnership, limited liability company, etc.], in good standing in the State of Colorado (the "Company").
2. It is in the interest of the Company to execute certain financial warranty documents associated with file number M-2020-028 (DRMS file number), which are required by the Colorado Mined Land Reclamation Board and Division of Reclamation Mining and Safety pursuant to Colorado law ("Financial Warranty Documents").
3. Affiant is duly authorized to sign such Financial Warranty Documents on behalf of the Company and to bind the Company to the same.
4. Affiant is not prohibited or limited by the Company's governing documents or by any applicable law from executing the Financial Warranty Documents.
5. Affiant will inform the Division of Reclamation Mining and Safety within thirty (30) days in the event that his/her authorization to execute Financial Warranty Documents on the Company's behalf is terminated.

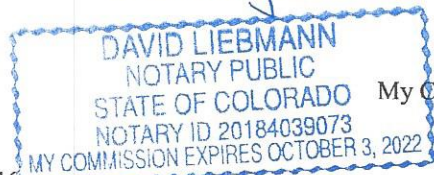
Further, Affiant sayeth not.

Gary L. Steen  
Affiant's Name

Gary L. Steen  
Signature

STATE OF Colorado )  
 ) ss.:  
COUNTY OF El Paso )

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of November, 2020, by Gary L. Steen as Manager of Fountain Mutual Irrigation Company



Notary Public

My Commission Expires

[Signature]  
10/03/2022