



# COLORADO

## Division of Reclamation, Mining and Safety

Department of Natural Resources

July 26, 2021

Mr. John Sliman  
Southwestern Farms, Inc.  
1825 Chianti Ct.  
Pueblo, CO 81001

**RE: Blue Grass Gravel Pit, Permit No. M-2008-001, Incomplete Application for  
Transfer of Permit and Succession of Operators—SO-04**

Dear Mr. Sliman:

On July 19, 2021, the Division of Reclamation, Mining and Safety received the Application Form for Transfer of Mineral Permit and Succession of Operators from EWSD I, LLC to Southwest Farms, Inc. for the Blue Grass Gravel Pit, Permit M-2008-001. The following items are incomplete for the application to be processed:

1. A review of the Colorado Secretary of State website shows that Staci Sliman is the person of record for Southwest Farms, Inc. not John Sliman, see Attachment 1. The Division requires the applicant to provide documentation giving the signer, John Sliman, the authority to sign on behalf of Southwest Farms, Inc. The authorization document may be in the form of by-laws, resolution, affidavit signed by corporate secretary, certified secretary statement of a notarized statement on company letterhead.
2. Please provide the appropriate Financial Warranty document. The Division received a check for the Financial Warranty however it was not from Southwest Farms, Inc. but from a personal account. The Prospective Successor must complete and provide Financial Warranty document for Third Party, Attachment 2, in order for the Division to be able to accept the check that was provided.
3. All documents must be the originals not copies of the originals. Please provide the original documents for the application and Performance Warranty.
4. No new structure agreements were provided, please provide a list of structures and the associated structure agreements. Where the affected lands are within two hundred (200) feet of any significant, valuable and permanent man-made structure, the applicant shall:



(a) provide a notarized agreement between the Applicant and the Person(s) having an interest in the structure, that the Applicant is to provide compensation for any damage to the structure; or

(b) where such an agreement cannot be reached, the Applicant shall provide an appropriate engineering evaluation that demonstrates that such structure shall not be damaged by activities occurring at the mining operation; or

(c) where such structure is a utility, the applicant may supply a notarized letter, on utility letterhead, from the owner(s) of the utility that the mining and reclamation activities, as proposed, will have "no negative effect" on their utility.

Please provide the above documents by September 24, 2021. All completed permit documents are required to be submitted for consideration of your Request for Transfer of Mineral Permit and Succession of Operators Application. If additional time is needed to respond, an extension request must be received by our Office by the decision date. If on the decision date, outstanding items remain, and no extension request has been received, your application will be denied and the file terminated. The Division reserves the right to further supplement this document with additional items and details as necessary.

Please contact Patrick Lennberg (303) 866-3567 ext. 8114 or by email at [patrick.lennberg@state.co.us](mailto:patrick.lennberg@state.co.us) if you have any questions.

Sincerely,



Patrick Lennberg  
Environmental Protection Specialist

Attachments: 1. Colorado Secretary of State – Southwest Farms, Inc.  
2. Financial Warranty Check for Deposit in State Treasury Third Party

cc: Sara Stevenson-Benn, Financial Assurance Specialist, DRMS  
Jared Ebert, DRMS

ec: John Sliman, Southwest Farms, Inc., [jfs57@comcast.net](mailto:jfs57@comcast.net)

## **Attachment 1**

**For this Record...**

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## Summary

Details			
<b>Name</b>	SOUTHWEST FARMS, INC.		
<b>Status</b>	Good Standing	<b>Formation date</b>	09/22/2000
<b>ID number</b>	20001185763	<b>Form</b>	Corporation
<b>Periodic report month</b>	August	<b>Jurisdiction</b>	Colorado
<b>Principal office street address</b>	1825 Chianti Court, Pueblo, CO 81001, CO, United States		
<b>Principal office mailing address</b>	1825 Chianti Court, Pueblo, CO 81001, CO, United States		

Registered Agent	
<b>Name</b>	Stacie Sliman
<b>Street address</b>	1825 Chianti Court, Pueblo, CO 81001, United States
<b>Mailing address</b>	1825 Chianti Court, Pueblo, CO 81001, United States

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## **Attachment 2**



# COLORADO

Division of Reclamation,  
Mining and Safety

Department of Natural Resources

## FINANCIAL WARRANTY CHECK FOR DEPOSIT IN STATE TREASURY THIRD PARTY

Operator: \_\_\_\_\_  
Operation: \_\_\_\_\_  
Permit No.: \_\_\_\_\_ Check No.: \_\_\_\_\_  
Warrantor: \_\_\_\_\_

*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. § 34-32-101 *et seq.*) and the Colorado Land Reclamation Act for the Extraction of Construction Materials (C.R.S. § 34-32.5-101 *et seq.*)(each referred to herein as an "Act" and collectively the "Acts") provide that no reclamation permit may be issued until the Mined Land Reclamation Board (the "Board") receives a financial warranty (or warranties) as described in the Acts.

WHEREAS, \_\_\_\_\_ (the "Operator"), a \_\_\_\_\_, (state and legal entity of Operator) has applied for a permit to conduct a mining operation known as \_\_\_\_\_ (the "Operation"), on certain lands in \_\_\_\_\_ County, Colorado. Such lands 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 applicable Act that the estimated costs of reclamation of the Affected Lands are those amounts set forth herein, which 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 provided by the Warrantor, in the amount set forth herein, equals the current 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 the entire actual cost of reclamation with regard to the Affected Lands.

WHEREAS, on behalf of the Operator and as proof of the Operator's financial responsibility, the Warrantor has, executed, pursuant to C.R.S. §§ 34-32-117(3)(a) or 34-32.5-117(3)(a), a personal check, business check, cashier's check, or certified check No. \_\_\_\_\_, payable to the Board in the amount of \_\_\_\_\_ dollars (\$\_\_\_\_\_).

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 Warrantor has provided to the Board proof of its authority to execute the above-mentioned check, by one of the following methods:

1. If the Warrantor 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 Warrantor 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 Warrantor 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 Warrantor has elected to provide 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 Warrantor is held hereby firmly unto the State of Colorado in the amount of those sums set forth herein, until this financial warranty is amended or released in accordance with applicable law.

The amount of this Financial Warranty is based upon current best estimates as to the cost of reclamation, and does not operate to liquidate, limit, enlarge, or restrict the Operator's obligations pursuant to C.R.S. §§ 34-32-118(6) and 34-32.5-118(6) to complete reclamation in accordance with the performance standards set forth in the Acts, and to be liable for the entire actual cost of the same, even if such actual cost substantially exceeds the amount of this Financial Warranty.

The Board may, for good cause shown, increase or decrease the amount 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 and Warrantor shall notify the Board immediately upon either's discovery 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 applicable 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 Warrantor.

The obligations of the Warrantor shall continue until the Board has released this financial warranty or has ordered it forfeited in accordance with provisions of the applicable 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 Warrantor'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 Warrantor 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.

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 Warrantor has failed to maintain its Financial Warranty in good standing as required by the Act; or
4. The Warrantor 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 Warrantor and Operator hereunder and under law, 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 and Warrantor hereby agree that, because the U.S.F.S. has accepted this single Financial Warranty in lieu of the separate bonds which would otherwise be required by applicable law, 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 and Warrantor hereby agree that, because the Land Board has accepted this Financial Warranty in lieu of the separate bonds which would otherwise be required by the Board and by the Land Board, 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 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, the Operator and the Warrantor hereby agree that, notwithstanding any other provision of this Financial Warranty, or of law, 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, SEALED AND DATED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Operator (SEAL)

By: \_\_\_\_\_  
Authorized Signature

Title: \_\_\_\_\_

**NOTARIZATION OF OPERATOR'S ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_ )  
 ) ss.:  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_,  
by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_.

Notary Public \_\_\_\_\_

My Commission Expires \_\_\_\_\_

SIGNED, SEALED AND DATED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Warrantor (SEAL)

By: \_\_\_\_\_  
Authorized Signature

Title: \_\_\_\_\_

**NOTARIZATION OF WARRANTOR'S ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_ )  
\_\_\_\_\_) ss.:  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_,  
by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_.

Notary Public \_\_\_\_\_

My Commission Expires \_\_\_\_\_

STATE OF COLORADO  
DEPARTMENT OF NATURAL RESOURCES  
MINED LAND RECLAMATION BOARD  
DIVISION OF RECLAMATION, MINING AND SAFETY

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

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