



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

July 5, 2022

Michael Rutter  
Pinon Ridge Mining, LLC  
31162 Highway 90  
Nucla, CO 81424-0825

**Re: Sunday Mine Complex Topaz Mine Monitoring Well Construction, File No. P-2022-010, NOI Acceptance, Request for Financial and Performance Warranties**

Dear Mr. Rutter:

The Division of Reclamation, Mining and Safety (Division) has completed the review of your Notice of Intent to Conduct Prospecting (NOI) Application. Therefore, final acceptance from the Division for your Notice of Intent to Conduct Prospecting (NOI) project known as the Sunday Mine Complex Topaz Mine Monitoring Well Construction is hereby granted and your application is **accepted**.

Division Staff conducted a Reclamation Cost Estimate based on the details of your application. Staff calculations determined that the total cost to achieve reclamation of the project to be \$10,899.00 (Cost Estimation Worksheets Enclosed). To date, the Division has received the minimum bond required for filing of \$2,000.00. Please provide the Division with either a replacement Financial Warranty for the full amount or the \$8,899.00 difference along with the appropriate Financial Warranty Form. In addition to the Financial Warranty, please execute and submit the Performance Warranty (Enclosed) and Affidavit of Authority (enclosed). Once the Financial and Performance Warranties are received and accepted by the Division you will be issued an Authorization to Proceed Letter.

Also, in accordance with Rule 5.6, the Annual Report, Map and associated fee of \$86.00 per site must be submitted on your approval anniversary for each year following the filing of an NOI until reclamation responsibility release is granted. If you have any questions, concerns or need additional information please feel free to contact me at the Division's Grand Junction Field Office, by phone at 303-866-3567 Ext. 8187 or by email at [lucas.west@state.co.us](mailto:lucas.west@state.co.us).

Sincerely,

**Lucas J. West**  
Environmental Protection Specialist  
Division of Reclamation, Mining and Safety

Cc: Travis Marshall, Senior Environmental Protection Specialist  
James Blair, BLM

Ec: Michael Rutter, Pinon Ridge Mining LLC  
George Glasier, Pinon Ridge Mining LLC



Bruce Smith, Western Water & Land, Inc.

Encl. Reclamation Cost Estimate Worksheets  
Cash/ Check for Deposit in State Treasury Form  
Performance Warranty Form  
Affidavit of Authority

## COST SUMMARY WORK

Task description: Cost Summary

**Sunday Mine Complex Topaz  
Mine Monitorin Well**

Permit Action:

Site: Construction

New App

Permit/Job#: P2022010

### PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 6/24/2022

County: San Miguel

Filename: P010-000

User: LJW

Agency or organization name: DRMS

### TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	P & A Monitoring Well	BOREHOLE	1	12.00	\$4,629
002	Revegetate Affected Areas	REVEGE	1	8.00	\$1,239
003	Secondary Seeding	REVEGE	1	4.00	\$620
004	Mobilization	MOBILIZE	1	7.11	\$1,701
<b><u>SUBTOTALS:</u></b>				<b>31.11</b>	<b>\$8,189</b>

### INDIRECT COSTS

#### OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$165

Performance bond: 1.05

Total = \$86

Job superintendent: 15.56

Total = \$1,120

Profit: 10.00

Total = \$819

TOTAL O & P = \$2,191

CONTRACT AMOUNT (direct + O & P) = \$10,380

#### LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): \$0

Total = \$0

Engineering work and/or contract/bid preparation: 0.00

Total = \$0

Reclamation management and/or administration: 5.00

\$519

CONTINGENCY: 0.00

Total = \$0

TOTAL INDIRECT COST = \$2,710

**TOTAL BOND AMOUNT (direct + indirect) = \$10,899**

## BOREHOLE SEALING WORK

Task description: P & A Monitoring Well

**Sunday Mine Complex Topaz  
Mine Monitorin Well**

Permit Action:

Site: Construction

New App

Permit/Job#: P2022010

### PROJECT IDENTIFICATION

Task #: 001

State: Colorado

Abbreviation: None

Date: 6/24/2022

County: San Miguel

Filename: P010-001

User: LJW

Agency or organization name: DRMS

### UNIT COSTS

Borehole Description	Sealing/Item Method	Diameter	Length	Quantity	Unit	Unit Cost	Total Cost
Concrete P & A	Portland cement grout - 8 in. (labor, equip, materials)	6.75	600	600.00	LF	\$7.03	\$4,218.00
Remove Casing, Backfill over hole	General laborer - Colorado (total incl. fringes, empl. burden)	NA	NA	4.00	HR	\$23.53	\$94.12
Hand backfill sump, scarify area	General laborer - Colorado (total incl. fringes, empl. burden)	NA	NA	3.00	HR	\$23.53	\$70.59
Drill Rig for pumping	ATLAS COPCO ROC L6,6.0 in.	6.75	NA	1.00	EA	\$246.59	\$246.59

Job Hours: 12.00

Total Cost: \$4,629.00

**REVEGETATION WORK**Task description: Revegetate Affected Areas**Sunday Mine Complex Topaz  
Mine Monitorin Well**

Permit Action:

Site: ConstructionNew AppPermit/Job#: P2022010**PROJECT IDENTIFICATION**Task #: 002State: ColoradoAbbreviation: NoneDate: 6/24/2022County: San MiguelFilename: P010-002User: LJWAgency or organization name: DRMS**FERTILIZING****Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
			\$	\$
			<b>Total Fertilizer Materials Cost/Acre</b>	<b>\$0.00</b>

**Application**

Description	Cost /Acre
	\$
<b>Total Fertilizer Application Cost/Acre</b>	<b>\$0.00</b>

**TILLING**

Description	Cost /Acre
Hand raking (MEANS 32 91 13.23 0250)	\$1,546.38
<b>Total Tilling Cost/Acre</b>	<b>\$1,546.38</b>

**SEEDING**

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Blue Grama - Native	0.48	7.83	\$6.59
Indian Ricegrass - Native	3.71	12.01	\$24.12
Sand Dropseed	0.07	8.36	\$0.68
Bottlebrush Squirreltail	2.04	8.99	\$33.10
Galleta	2.47	9.02	\$55.20
Muttongrass	0.10	2.07	\$3.44
Sagebrush, Mountain or Big	0.10	5.28	\$1.98
Saltbush, Four Wing	0.25	0.34	\$3.13

Winter Fat	0.25	0.64	\$5.13
<b>Totals Seed Mix</b>	9.47	54.54	<b>\$133.35</b>

**Application**

Description	Cost /Acre
Push spreader (MEANS 32 92 19.14 0020)	\$1,821.68
<b>Total Seed Application Cost/Acre</b>	<b>\$1,821.68</b>

**MULCHING and MISCELLANEOUS****Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Hay, delivered {MEANS 31 25 14.16 1200}	2.00	TON	\$307.02	\$614.04
<b>Total Mulch Materials Cost/Acre</b>				<b>\$614.04</b>

**Application**

Description	Cost /Acre
Hand spread, 1" deep (MEANS 32 91 13.16 0200)	\$3,630.00
<b>Total Mulch Application Cost/Acre</b>	<b>\$3,630.00</b>

**NURSERY STOCK PLANTING**

Common Name	No / Acre	Type and Size	Planting Cost	Fertilizer Pellet Cost	Cost /Acre
					\$
<b>Totals Nursery Stock Cost / Acre</b>					<b>\$0.00</b>

**JOB TIME AND COST**

No. of Acres: 0.1 Cost /Acre: \$7,745.45  
 Estimated Failure Rate: 60% Cost /Acre\*: \$7,745.45  
 \*Selected Replanting Work Items: TILLING,SEEDING,MULCHING  
 Initial Job Cost: \$774.55  
 Reseeding Job Cost: \$464.73  
 Total Job Cost: \$1,239  
 Job Hours: 8.00

**REVEGETATION WORK**Task description: Secondary Seeding**Sunday Mine Complex Topaz  
Mine Monitorin Well**

Permit Action:

Site: ConstructionNew AppPermit/Job#: P2022010**PROJECT IDENTIFICATION**Task #: 003State: ColoradoAbbreviation: NoneDate: 6/24/2022County: San MiguelFilename: P010-003User: LJWAgency or organization name: DRMS**FERTILIZING****Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
			\$	\$
			<b>Total Fertilizer Materials Cost/Acre</b>	<b>\$0.00</b>

**Application**

Description	Cost /Acre
	\$
<b>Total Fertilizer Application Cost/Acre</b>	<b>\$0.00</b>

**TILLING**

Description	Cost /Acre
Hand raking (MEANS 32 91 13.23 0250)	\$1,546.38
<b>Total Tilling Cost/Acre</b>	<b>\$1,546.38</b>

**SEEDING**

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Blue Grama - Native	0.48	7.83	\$6.59
Indian Ricegrass - Native	3.71	12.01	\$24.12
Sand Dropseed	0.07	8.36	\$0.68
Bottlebrush Squirreltail	2.04	8.99	\$33.10
Galleta	2.47	9.02	\$55.20
Muttongrass	0.10	2.07	\$3.44
Sagebrush, Mountain or Big	0.10	5.28	\$1.98
Saltbush, Four Wing	0.25	0.34	\$3.13

Winter Fat	0.25	0.64	\$5.13
<b>Totals Seed Mix</b>	9.47	54.54	<b>\$133.35</b>

**Application**

Description	Cost /Acre
Push spreader (MEANS 32 92 19.14 0020)	\$1,821.68
<b>Total Seed Application Cost/Acre</b>	<b>\$1,821.68</b>

**MULCHING and MISCELLANEOUS****Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Hay, delivered {MEANS 31 25 14.16 1200}	2.00	TON	\$307.02	\$614.04
<b>Total Mulch Materials Cost/Acre</b>				<b>\$614.04</b>

**Application**

Description	Cost /Acre
Hand spread, 1" deep (MEANS 32 91 13.16 0200)	\$3,630.00
<b>Total Mulch Application Cost/Acre</b>	<b>\$3,630.00</b>

**NURSERY STOCK PLANTING**

Common Name	No / Acre	Type and Size	Planting Cost	Fertilizer Pellet Cost	Cost /Acre
					\$
<b>Totals Nursery Stock Cost / Acre</b>					<b>\$0.00</b>

**JOB TIME AND COST**

No. of Acres: 0.05                      Cost /Acre: \$7,745.45  
 Estimated Failure Rate: 60%                      Cost /Acre\*: \$7,745.45  
 \*Selected Replanting Work Items: TILLING,SEEDING,MULCHING

Initial Job Cost: **\$387.27**  
 Reseeding Job Cost: **\$232.36**  
 Total Job Cost: **\$620**  
 Job Hours: **4.00**



**EQUIPMENT MOBILIZATION/DEMOBILIZATION**Task description: **Mobilization****Sunday Mine Complex Topaz  
Mine Monitorin Well**

Permit Action:

Site: **Construction**New AppPermit/Job#: P2022010**PROJECT IDENTIFICATION**Task #: 004State: ColoradoAbbreviation: NoneDate: 6/24/2022County: San MiguelFilename: P010-004User: LJWAgency or organization name: DRMS**EQUIPMENT TRANSPORT RIG COST**Shift basis: 1 per dayCost Data Source: CRG DataTruck Tractor Description: GENERIC ON-HIGHWAY TRUCK TRACTOR, 6X4, DIESEL POWERED,  
400 HP (2ND HALF, 2006)Truck Trailer Description: GENERIC FOLDING GOOSENECK, DROP DECK EQUIPMENT  
TRAILER (25T, 50T, AND 100T)**Cost Breakdown:**

<b>Available Rig Capacities</b>	<b>0-25 Tons</b>	<b>26-50 Tons</b>	<b>51+ Tons</b>
Ownership Cost/Hour:	\$21.28	\$37.94	\$47.67
Operating Cost/Hour:	\$26.55	\$50.48	\$56.21
Operator Cost/Hour:	\$20.54	\$20.54	\$20.54
Helper Cost/Hour:	\$0.00	\$23.53	\$23.53
Total Unit Cost/Hour:	\$68.37	\$132.49	\$147.95

**NON ROADABLE EQUIPMENT:**

Machine Description	Weight/ Unit (TONS)	Owner ship Cost/hr/ unit	Haul Rig Cost/hr/uni t	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet	DOT Permit Cost/ fleet
ATLAS COPCO ROC L6,6.0 in.	0.00	\$124.96	\$68.37	1	\$193.33	\$68.37	\$250.00

Subtotals: 

<b>\$193.33</b>	<b>\$68.37</b>	<b>\$250.00</b>
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**ROADABLE EQUIPMENT:**

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Light Duty Pickup, 4x4, 3/4 T.	\$12.93	1	\$12.93	\$12.93

Subtotals: 

<b>\$12.93</b>	<b>\$12.93</b>
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**EQUIPMENT HAUL DISTANCE and Time**

Nearest Major City or Town within project area region:	NATURITA	
Total one-way travel distance:	35.00	miles
Average Travel Speed:	45.00	mph

Total Non-Roadable Mob/Demob Cost *	\$1,680.41
** two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	\$20.11
** one round trip, no haul rig:	

**Transportation Cycle Time:**

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.78	0.78
Return Time (Hours):	0.78	0.78
Loading Time (Hours):	1.00	NA
Unloading Time (Hours):	1.00	NA
Subtotals:	3.56	1.56

**JOB TIME AND COST**

Total job time:	7.11	Hours
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Total job cost:	\$1,701
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**COLORADO**

**Division of Reclamation,  
Mining and Safety**

Department of Natural Resources

1313 Sherman Street, Room 215  
Denver, CO 80203

## **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 \_\_\_\_\_ [name of authorized person], in his/her capacity as \_\_\_\_\_ [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 \_\_\_\_\_ [name of business organization], a(n) \_\_\_\_\_ [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 \_\_\_\_\_ (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.

\_\_\_\_\_  
Affiant's Name

\_\_\_\_\_  
Signature

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

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

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

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



## COLORADO

Division of Reclamation,  
Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215  
Denver, CO 80203

### PERFORMANCE WARRANTY

Permittee/Operator: \_\_\_\_\_

Operation known as: \_\_\_\_\_

Permit Number: \_\_\_\_\_

***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





# 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



### ONE SITE PROSPECTING FINANCIAL WARRANTY ON BUREAU OF LAND MANAGEMENT LAND CHECK FOR DEPOSIT IN STATE TREASURY

Prospecting Financial Warranty No. \_\_\_\_\_

Notice of Intent No. \_\_\_\_\_

*This form has been approved by the Mined Land Reclamation Board ("Board") pursuant to section 34-32-117, C.R.S., of the Colorado Land Reclamation Act. 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 Prospector to cease and desist orders and civil penalties for prospecting without a permit pursuant to section 34-32-123, C.R.S., of the Colorado Land Reclamation Act.*

KNOW ALL MEN BY THESE PRESENTS, that we (I), \_\_\_\_\_, of the  
County of \_\_\_\_\_, in the State of \_\_\_\_\_, as Principal(s) are  
(am) held hereby and firmly bound unto the State of Colorado, acting through the Mined Land Reclamation Board in  
the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) for the payment of which sum, well  
and truly to be made, we (I) hereby bind ourselve(s), and each of our (my) legal representatives, executors,  
administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has filed a Notice of Intent to Conduct Prospecting Operations with the Board on  
the following premises, indicated on the Notice of Intent filed with the Board, which is attached hereto and thereby  
incorporated by reference, to wit:

\_\_\_\_\_

\_\_\_\_\_

NOW, THEREFORE, the conditions of this obligation as such that if the above-bounded Principal shall, in  
conducting such prospecting operations, faithfully perform the provisions of the Notice of Intent to Conduct  
Prospecting Operations filed with the Board and the requirements of the plan to implement reclamation measures to  
reclaim all lands affected by the prospecting operations approved and modified by the Board, relating to the Colorado  
Land Reclamation Act as amended, and the Rules and Regulations adopted pursuant thereto; upon the Board making  
a finding that the lands described above have been satisfactorily reclaimed, and approving the Prospector's request for  
a financial warranty release on such lands, then this obligation shall be exonerated and discharged and become null  
and void; otherwise to remain in full force and effect.

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 Prospector, 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 Prospector's obligations to U.S.F.S., for which this warranty is executed, have been satisfied, and until the  
financial warranty has been released 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 Prospector, having requested that the State accept this financial warranty in lieu of the separate bonds which would otherwise be required by the 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 Prospector's obligations to the Land Board, for which this warranty is executed, have been satisfied, and until the financial warranty has been released 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 Prospector on this financial warranty, the BLM has, pursuant to 43 C.F.R., 3809.570, accepted this financial warranty then, notwithstanding any other provision of this financial warranty, or of law, the Prospector hereby agrees that this financial warranty shall not be released until the Board is advised in writing by the BLM that the Prospector's obligations to the BLM, for which this warranty is executed, have been satisfied, and until the financial warranty has been released by the Board. The Prospector agrees that this warranty shall also be redeemable by the Colorado State Director, U.S. Bureau of Land Management.

PROVIDED, however, the Warrantor shall not be liable under this financial warranty for an amount greater in the aggregate than the sum designated in the first paragraph hereof, unless increased by a later amendment, and shall not be liable as respects any obligation related to prospecting and reclamation operations performed after the effective date of a cancellation of this financial warranty pursuant to the terms of Section 34-32-117(5), C.R.S. , as amended. This financial warranty shall remain in force and effect as respects all obligations for all prospecting and reclamation operations performed prior to the effective date of such cancellation unless the Principal files a substitute financial warranty which: 1) assumes liability for all obligations for all prospecting and reclamation operations performed during the effective date of this financial warranty; and 2) is acceptable to the Board; or unless the Board otherwise releases this financial warranty.

The Warrantor reserves the right to cancel this financial warranty, effective only upon an anniversary date, and only by giving written notice to that effect, mailed by Certified Mail, at least ninety (90) days prior to such anniversary date, addressed to both the Prospector at its address herein stated, and to the Board at the address herein stated. In the event of such cancellation, this financial warranty shall nevertheless remain in full force and effect as respects the reclamation of all areas disturbed prior to the effective date of such cancellation, unless and until the Prospector shall file a substitute financial warranty which: (1) assumes liability for all reclamation obligations which shall have arisen at any time while this financial warranty is in force; and (2) is accepted in writing by the Board.



Signed, sealed, and dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Principal

\_\_\_\_\_  
Principal

\_\_\_\_\_  
By

\_\_\_\_\_  
By

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Mailing Address  
  
\_\_\_\_\_

\_\_\_\_\_  
Mailing Address  
  
\_\_\_\_\_

APPROVED:

\_\_\_\_\_  
Division Director

\_\_\_\_\_  
Date