

July 21, 2022

Richard Murphy Acme Brick Company 210 Acme Street Denton TX 76205

RE: Golden Mine, DRMS Permit M-1976-007UG 110c to 112c Permit Conversion Application Decision Letter, Financial and Performance Warranty Request

Mr. Murphy:

On July 20, 2022, the Mined Land Reclamation Board (MLRB) approved your 110c to 112c permit conversion application for the Golden Mine which was filed with the Division of Reclamation, Mining and Safety (Division) on September 8, 2021.

The amount of financial warranty set by the Division for this operation is \$298,000.00. This is an increase of \$273,600.00 over the currently posted bond. You must submit the required increase in financial warranty and a new performance warranty (form enclosed) in order to complete the DRMS permit conversion process. Please select a type of financial warranty from Rule 4.3, then contact our Financial Warranty Specialist, Sara Stevenson-Benn at 303-866-3567, ext. 8148 or sara.stevenson-benn@state.co.us so that we can provide you with the appropriate financial warranty form(s).

PLEASE NOTE THAT MINING OPERATIONS MAY NOT COMMENCE UNTIL THE INCREASED BOND IS SUBMITTED AND YOUR NEW FINANCIAL AND PERFORMANCE WARRANTIES HAVE BEEN RECEIVED AND APPROVED BY THE DIVISION.

Revised Surety and Permit Acreage for M1977-007UG			
Reclamation Liability (Required Surety):	\$298,000.00		
Required Bond Increase:	\$273,600.00		
Approved 112c Permit Acreage :	70.15		

If you have any questions, you may contact me by telephone at 303-229-9414, or by email at Eric.Scott@state.co.us

Sincerely,

Eine Litt

Eric Scott Environmental Protection Specialist



Physical: 1313 Sherman Street, Room 215, Denver, CO 80203 | P: 303.866.3567 | F: 303.832.8106Mailing: DRMS Room 215, 1001 E 62nd Ave, Denver, CO 80216 | https://drms.colorado.govJared Polis, Governor | Dan Gibbs, Executive Director | Virginia Brannon, Director

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- Encl: Performance Warranty form
- Cc: Angela Bellantoni, Environmental Alternatives Inc. Michael Cunningham, DRMS Sara Stevenson-Benn, DRMS



COLORADO Division of Reclamation, Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215 Denver, CO 80203

PERFORMANCE WARRANTY

Permittee/Operator:	The Deriver Drick Company
Operation known as:	<u>Golden Mine</u>
Permit Number:	M-1976-007UG

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	day of		, 20
	Operator:	The Denver Brick	
	Signature:		
	Name:		
	Title:		
NOTARIZATION OF	F OPERATOR'S	ACKNOWLEDGEMEN	T
STATE OF) ss.			
COUNTY OF) ss.			
The foregoing instrument was acknowledged b	before me this	day of (Day) (Month)	, 20(Year)
by(Name)	as	(Title)	
of: <u>The Denver Brick Company</u> (Operator)			
	NOTAL	RY PUBLIC	
	wiy Col	nmission expires:	
APPROVED: State of Colorado Mined Land Reclamation Board Division of Reclamation, Mining and Safety			
By:_Date:	Divi	sion Director	
Rev. 7-2018			