

COLORADO Division of Reclamation, Mining and Safety

Department of Natural Resources

April 11, 2023

Mr. Scott Cockroft Ogilvy Irrigating and Land Company 822 7th Street #760 Greeley CO 80631

RE: East 8th Street Operation, Permit M2000-082, Incomplete Application for Transfer of Permit and Succession of Operators (SO3)

Mr. Cockroft:

On April 10, 2023, the Division of Reclamation, Mining and Safety received the Application Form, \$144 fee, Performance Warranty, and Warranty Deed (Proof of Ownership) for Transfer of Mineral Permit and Succession of Operators from Superior Oilfield Services Co., LTD to Ogilvy Irrigating and Land Company for the East 8th Street Operation, Permit M2000-082. The following items are incomplete for the application to be processed:

 As stated on page 2 of the Application Packet, under item 4) Financial Warranty: "Applicants may decide not to waive their right to a decision within 30 days. If the applicants choose not to waive their right to a 30-day review, the Division will review the Financial Warranty after issuing its decision on the Application. <u>In this case, the Prospective Successor must submit a conditional replacement Financial Warranty in the amount of the Permittee's current Financial Warranty as part of the Application."</u>

The Prospective Successor Operator (Ogilvy) will need to provide an original, executed and notarized Financial Warranty document accompanied by a payment/bond in the amount of \$61,870.00 to transfer the permit under the 30 day decision period option selected on the submitted application form. Subsequent bond adjustments will be the responsibility of the Successor Operator if/when the permit is transferred.

2. As noted on Page 3 of the application form, as well as the Application Checklist provided on Page 4 of the Application packet; Item 6 of the Filing Requirements for SO Application requires new/updated structure agreements as stated below:

Structure Agreements: In many cases, <u>operators must provide the Division copies of agreements</u> to compensate the owners of any significant, valuable, and permanent man-made structures and <u>utilities within 200 feet of the affected land</u> ("Structure Agreements"). See Hard Rock Rules 6.3.12 and 6.4.20; Construction Materials Rules 6.3.12 and 6.4.19. If the Permittee was required to provide Structure Agreements, <u>the Prospective Successor must obtain new Structure Agreements</u> from each owner and provide copies of the same to the Division with the Application.



M2000-082 East 8th Street SO3 April 11, 2023 Page **2** of **2**

Generally, the easiest way to provide the required structure information is to provide a map identifying/numbering the structures within, and within 200' of, the permit boundary matched to a table showing ownership of the feature(s) and the provided structure agreement.

3. Scott Cockcroft will need to submit an original, executed, and notarized, Affidavit of Authority on behalf of Ogilvy – the form is included with this letter, and also available on the DRMS website.

Please provide the above required materials within 60 days (no later than June 10, 2023). All completed application documents are required to be submitted for consideration of your Request for Transfer of Mineral Permit and Succession of Operators Application. If after 60 days, outstanding items remain, 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.

DRMS notes that both parties have selected to maintain the right to a decision on the application within 30 days. The 30 day decision timeframe will begin when the above listed items have been provided and the SO application has been deemed complete for review by the Division.

Please also note that the SWSP as issued by the State Engineer's Office on March 3, 2023 states that "Pursuant to the purchase agreement, Ogilvy has the long-term augmentation responsibility for this site". This site currently contains two unlined excavations, one of which (western) contains approximately 8.25 acres of exposed groundwater, while the other (eastern), is currently dry. The current \$61,870 bond was calculated by DRMS with the understanding that, at that time, the responsibility for permanent augmentation of the site was borne by the Greely Urban Renewal Authority under the previous agreement with the current permittee.

Upon approval of SO3, the bond for this site will need to be adjusted appropriately to account for the longterm augmentation requirements which are now Ogilvy's responsibility. Depending on how Ogilvy wishes to address this requirement, a significant bond increase may be required, which would be due within 60 days from the date of the surety increase letter.

Please contact Eric Scott (303) 229-9414 or by email at <u>eric.scott@state.co.us</u> if you have any questions.

Sincerely,

Eric Scott Environmental Protection Specialist

- cc: Sara Stevenson-Benn, Financial Assurance Specialist, DRMS Michael Cunningham, Senior EPS, DRMS
- Ec: <u>rick.m@laseroilfield.com</u> <u>scockroft@gmail.com</u>



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:	

- 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").
- 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 instru	ment was acknowledged before me th	is day of	,,	
by	as	of	·	
		Notary Public	С	
		My Commission Expires	s	