



April 29, 2024

Gary Vezzani
The Walsenburg Sand and Gravel Company
314 State Hwy 10
P.O. Drawer 352
Walsenburg, CO
81809

RE: Sand Arroyo Pit, Permit No. M-1978-283, Financial Warranty Increase, Revision No. SI1

Dear Mr. Vezzani,

On April 29, 2024 the Division of Reclamation, Mining and Safety (Division/DRMS) increased the current Financial Warranty for the Sand Arroyo Pit (M-1978-283) to \$45,686 in accordance with Rule 4.2.1 of the Rules and Regulations. This is an increase of \$11,186.

The Division ordered amendment of the current Financial Warranty, or submittal of a new Financial Warranty reflecting the increase, is due within 60 days from the date of this letter, **June 28, 2024.**

Please submit the following to the Division:

1. An amended or replacement financial warranty.
(*If issuing a check, please make it out to "DRMS".*)
 - ❖ Division's mailing address:
Division of Reclamation, Mining and Safety
Room 215
1001 E 62nd Ave
Denver, CO 80216
2. Financial Warranty: Please print, fill out, and send the appropriate financial warranty form from the Financial Warranty Forms list at the following link:
<https://drms.colorado.gov/forms/minerals-program-forms>
3. Affidavit of Authority: Please see the attached blank form.
4. Performance Warranty: Please see the attached blank form.

Please note only original documents (no photocopies) are accepted.

Please make arrangements with Sara Stevenson-Benn at the Division's Denver office for submittal of the financial warranty. Any other questions regarding completion, execution and/or submittal of



financial warranty forms should also be directed to Sara. Her phone number is [303-866-3567](tel:303-866-3567) ext. 8148 or by email at sara.stevenson-benn@state.co.us.

If you need additional information or have any questions, please contact me by telephone at [720-836-0967](tel:720-836-0967) or by email at amber.gibson@state.co.us.

Sincerely,



Amber M. Gibson
Environmental Protection Specialist

*Enclosures: Affidavit of Authority
Performance Warranty*

ec: Jared Ebert, DRMS
Sara Stevenson-Benn, DRMS

**Certified Mail# - 9589 0710 5270 0839 8570 70
Return Receipt Requested**



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.





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



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: _____
Signature: _____
Name: _____
Title: _____

NOTARIZATION OF OPERATOR'S ACKNOWLEDGEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20_____
(Day) (Month) (Year)
by _____ as _____
(Name) (Title)
of _____
(Operator)

NOTARY PUBLIC
My Commission expires: _____

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

By: _____ Date: _____
Division Director