P.O. Box 3471 Rapid City, SD 57709-3471 PO Box 88 Cortez, CO 81321-0088 (605)348-<u>0244</u> (605)939-0650 (970)564-1380 WASTELINE.57709@gmail.com

ASTELINE INC.



27 June 2025

Mr. Dustin Czapla, Environmental Protection Specialist Division of Reclamation Mining and Safety VIA Email dustin.czapla@state.co.us

SUBJECT: M-1980-146 Surety increase (SI-1) and reduction request (SR2)

Dear Sir:

As discussed yesterday between you and John Gilleland, John has tasked me and his people to get the Financial Warranty increased as quickly as possible. I fully understand the need to get this done as soon as possible, as the Permittee is currently in violation, as you notified them in both March and May. Thank you both for the extensions and of contacting John regarding this.

To restate, the present financial warranty of \$421,358.00 must be increased by \$301,472.00 to provide a total of \$722,830.00. As you know, this must satisfy both the Division and the Bureau of Land Management. At this point, it is most likely that an amendment increasing the amount of the current (2019) policy will be provided by C & J's insurance provider. Beth Ochsenreiter, the C&J Controller, is currently coordinating with the insurance firm to determine the most effective and fastest way of meeting the requirements. Since it has been a considerable length of time since either party has done this, it takes some time to get everyone up to speed on what is needed. I very much appreciate Sara Stevenson-Benn's assistance: she is invaluable in her knowledge, kindness, and patience.

At this point, I cannot commit to an expected date to get the Warranty submitted to Sara but do promise to keep you informed frequently on progress. I request your patience and that of the Division.

As also discussed, John has also asked me to assist, coordinate, and file the surety reduction request (SR2). This is of course a lower priority than posting the warranty. At this point, I am proposing revising the current, incomplete request (SR2) to be a reduction based on reclamation work already completed, and not on an acreage reduction by release of completed reclamation. I realize that the suspense date of 21 June 2025 has passed, but request that you not terminate SR2 at this time. As soon as we have the full Financial Warranty posted and accepted by the Division, we will prepare a new reclamation cost estimate based on the current (March 2025) Division estimate and supported by documentation of the reclamation work completed (examples: backfill, grading, placement of soil, and seeding). We will, of course, also need to coordinate this with BLM.

Again, thanks for your assistance and patience. Please let me know what other tasks need to be done.

Respectfully,

Natura Carto

Nathan A. Barton, CE, PE, DEE, Environmental Permitting and Compliance Engineer CF: John, Hank, Cesar, Beth, Debby