

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



September 14, 2012

Michael Pfister
Sanborn Sand and Gravel/dba Golden Cross Aggregate
2001 Platte Dr.
Breckenridge, CO 80424

John W. Hickenlooper
Governor

Mike King
Executive Director

Loretta E. Piñeda
Director

RE: Reason to Believe a Violation Exists at Gloria Z Mine; DRMS File No. M-1984-094

Dear Mr. Pfister,

On August 30, 2012, the Division of Reclamation, Mining and Safety (Division) conducted an inspection of the Gloria Z Mine and found the following:

The site contains 0.2 acres of exposed groundwater and the Operator has not obtained a well permit, temporary substitute water supply plan or permanent augmentation plan.

Based on the findings of the inspection we believe that this is a violation of:

- C.R.S. 34-32.5-116(4)(h) for **failure to minimize disturbances to the prevailing hydrologic balance of the affected land and of the surrounding area and to the quality and quantity of water in surface and groundwater systems.**

OR

- Construction Materials Rule 3.1.6(1)(a) for **failure to comply with applicable Colorado water laws and regulations governing injury to existing water rights.**

Therefore, we have reason to believe that a violation exists to DRMS File Number M-1984-094 and to the Law, and have scheduled this matter to appear before the Mined Land Reclamation Board.

A Formal Public Hearing will be held during the November 14th and 15th, 2012 Board Meeting for consideration of a possible violation. The hearing will be held in Room 318 of 1313 Sherman Street, Denver, Colorado, beginning at 9:00 a.m. on November 14th or as soon thereafter as the matter can be considered. At that hearing you will have the opportunity to be represented and heard. It will be reiterated that there is reason to believe that you are in violation of the provisions noted above.

Mr. Pfister
Page | 2
September 11, 2012

If the Board finds a violation at this hearing, it may issue a Cease and Desist Order and/or assess a Civil Penalty in the amount of \$ 100.00 to \$1,000.00 for each day of violation. If you have evidence indicating that the possible violations noted above do not exist or have been corrected, please provide it to us as soon as possible or bring it to the hearing.

Following the hearing, all parties have an opportunity to review and comment on a draft of the Board's order before it becomes final. If you wish to do so, you must provide the Board with a written request to review the draft order prior to or at the time of your hearing, or you must inform the Board orally during the hearing that you request to review the draft order. You must include your mailing address and, if possible, a fax or email address. You will be provided a copy of the draft order by e-mail for your review as soon as it is available, unless a hard copy by mail is requested. The Board's attorney must receive your comments on the draft order within three calendar days of the date the draft order is e-mailed, unless that deadline is extended by the Board's attorney. Submit all comments in writing, by e-mail or fax, to Mr. John Roberts, jj.roberts@state.co.us, Fax: number 303-866-5395. Please note that the Division of Reclamation, Mining and Safety has requested and will be allowed to review and comment on the draft Board Order prior to mailing to any party. The Board will resolve any issues regarding the form and substance of the order. This process does not affect your right to request reconsideration by the Board or appeal the form or substance of the order.

Please contact Sitira Pope of the Division at (303) 866-3567 x8136 on the Friday or Monday prior to the Board Hearing to confirm exactly what day your item will appear before the Board. If you have any questions about this letter or the hearing, please contact Michael Cunningham at (303) 866-3567 x8116.

Sincerely,



Loretta Piñeda
Division Director

CERTIFIED MAIL NO. 7010 1060 0001 0936 8327
Return Receipt Requested

Cc: Tom Kaldenbach, DRMS
Michael Cunningham, DRMS
John Roberts, AGO
Jeff Fugate, AGO