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M2004-067

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

5001



APPLICATION FORM FOR TRANSFER OF MINERAL PERMIT AND SUCCESSION OF OPERATORS

ADMINISTRATIVE INFORMATION

RECEIVED

JAN 02 2013

Permit Information

Permit Number: M2004067

Operation Name: MMRR Quarry

DIVISION OF RECLAMATION
MINING AND SAFETY

Permittee Information

Contact Person: Robert A. Lembke

Company Name: Clear Creek District Water Providers, L.L.C.

Street Address: 8301 E. Prentice Ave., Ste. 100

City: Greenwood Village

State: CO Zip: 80111

Phone: (303) 773-1005

Email (optional): _____

Prospective Successor Information

Contact Person: Fred J. Marvel, P.E.

Company Name: Brannan Sand and Gravel Company, LLC

Street Address: 2500 Brannan Way

City: Denver

State: CO Zip: 80229

Phone: (303) 534-1231

Email (optional): _____

Nov = None
** AF Due = 2/22/2013*

Other Reclamation Permits held by Prospective Successor (if applicable):

Adams County Pit 29 PERMIT NO. M-80-183

DESIGNATION OF REVIEW TIMELINE

As explained above, the Permittee and Prospective Successor may waive their right to receive a decision on an Application within 30 days in order to allow the Division to calculate the required Financial Warranty before issuing its decision. Permittee and Prospective Successor must initial one of the following two options to designate their choice. If Permittee and Prospective Successor cannot agree, the Division will render its decision within 30 days.

Permittee

Prospective Successor

I have reviewed the information provided in this Application Packet, as well as the applicable Act and Rules. Having been fully informed, I wish to WAIVE MY RIGHT TO A DECISION ON MY APPLICATION WITHIN 30 DAYS.

Permittee

Prospective Successor

I have reviewed the information provided in this Application Packet, as well as the applicable Act and Rules. Having been fully informed, I wish to MAINTAIN MY RIGHT TO A DECISION ON MY APPLICATION WITHIN 30 DAYS.

The Prospective Successor must provide an adequate Financial Warranty or *conditional* replacement Financial Warranty, consistent with the designation above. Hard Rock and Construction Materials Rule 4.3 describes the various acceptable types of Financial Warranties. Each Financial Warranty must be submitted on the Board's approved forms (available online at <http://mining.state.co.us/Mineral%20Forms.htm>).

DUE DILIGENCE CERTIFICATION

The Board wishes to ensure that Prospective Successors are fully informed of their duties and obligations should they become Successor to the Permit. Accordingly, the Prospective Successor must carefully review the items below and must initial indicating its agreement and understanding.



If the Application is approved, the Prospective Successor will assume all liability for the reclamation of the affected land, and for compliance with the Hard Rock Act and Rules or the Construction Materials Act and Rules, as applicable (available online at <http://mining.state.co.us/Rules%20and%20Regs.htm>). Successor will be liable for any pre-existing conditions or violations, whether known or unknown at the time of the SO. It is the Prospective Successor's sole responsibility to investigate the operation prior to filing an Application.



If the Application is approved, the Successor will be solely responsible for maintaining the mining and reclamation operations in compliance with the Reclamation Permit. The Permit includes the original approved Application, along with any and all subsequent revisions, amendments, and conversions thereto. It is not uncommon for a Permit to include dozens of documents that span many years. It is the Successor's sole responsibility to obtain a full and complete copy of the Permit and to understand the extent of his/her/its obligations thereunder. Permit documents may be purchased from the Division of Reclamation, Mining and Safety (the "Division") upon request or viewed on the Division's website at <http://drmsweblink.state.co.us/drmsweblink/search.aspx?dbid=0>



If the Application is approved, the Successor must submit Annual Fees and Annual Reports to the Division on the anniversary date of the Reclamation Permit. For hard rock and designated mining operations, consult C.R.S. § 34-32-127(2) for the amount of the Annual Fee. For construction materials operations, consult the C.R.S. § 34-32.5-125 for the amount of the Annual Fee. Required annual reporting information is described in Hard Rock and Construction Materials Rule 1.15 and in the Annual Report Form provided by the Division. Failure to submit Annual Fees or Annual Reports may result in enforcement action.

**APPLICANTS' AGREEMENT TO REQUEST TRANSFER
OF MINERAL PERMIT AND SUCCESSION OF OPERATORS**

WHEREAS, on February _____, 1 _____ Permit Number M2004067 ("Permit") was granted to Clear Creek District Water Providers, L.L.C. ("Permittee"), pursuant to which Permit, Permittee has engaged in a mining operation located in Gilpin _____ County, Colorado.

WHEREAS, The Permit includes and incorporates any and all subsequent Amendments, Technical Revisions and/or Conversions.

WHEREAS, Permittee wishes to assign the entire Permit, along with all associated rights and responsibilities to Brannan Sand and Gravel Company, LLC ("Prospective Successor"), and Prospective Successor wishes to become Successor Permittee under the Permit.

WHEREAS, Prospective Successor has inspected the mining and reclamation operations and is fully aware of the conditions thereof.

WHEREAS, Prospective Successor understands that the Reclamation Plan (the "Plan") is an integral part of the Permit and is required by law. Prospective Successor has had an opportunity to thoroughly review the Plan, understands that the Plan has not been completed and that, if Prospective Successor becomes Successor, he/she/it will assume full responsibility for the completion of the Plan.

NOW THEREFORE, Permittee and Prospective Successor hereby agree, for their own benefit and for the benefit of the State, as follows:

Prospective Successor agrees to accept all of the conditions of the Permit, including the condition that the operation remains in compliance with all applicable laws and regulations, and to perform all of the obligations of the Permittee under the Permit.

Prospective Successor agrees to complete the Plan, and to assume all liability for the same, as to all areas presently disturbed, as well as to all areas hereafter disturbed.

Prospective Successor agrees to submit to the Division of Reclamation, Mining and Safety ("Division"), Performance and Financial Warranties, as required by applicable law and regulations, which will be substituted for the Performance and Financial Warranties previously filed by the Permittee, if and when the Division approves a Transfer of Mineral Permit and Succession of Operators ("SO") and releases the latter Warranties.

Prospective Successor represents to the State that, to the best of its knowledge, information and belief, it is not in violation of any of the provisions of the Mined Land Reclamation Act (C.R.S. § 34-32-101 *et. seq.*) ("Hard Rock Act") and associated Rules (2 C.C.R. 407-1) ("Hard Rock Rules") or the Land Reclamation Act for the Extraction of

Construction Materials (C.R.S. § 34-32.5-101 *et. seq.*) ("Construction Materials Act") and associated Rules (2 C.C.R. 407-4) ("Construction Materials Rules"), with respect to any other operation conducted by the Prospective Successor in the State of Colorado.

Permittee and Prospective Successor hereby request that the Mined Land Reclamation Board ("Board") approves their SO Application, recognizes the Prospective Successor as Successor Operator under the Permit, accepts the Prospective Successor's Performance and Financial Warranties, and releases the current Permittee's Performance and Financial Warranties.

SIGNED, SEALED AND DATED this 10th day of December, 2012.

PERMITTEE

Clear Creek District Water Providers, L.L.C.

Name of Permittee

By

Signature of Officer

Manager

Title of Officer

PROSPECTIVE SUCCESSOR

Brannan Sand and Gravel Company, LLC

Name of Prospective Successor

By

Signature of Officer

Manager

Title of Officer

NOTARY FOR PERMITTEE

STATE OF

Colorado

COUNTY OF

Arapahoe

ss.:

The foregoing instrument was acknowledged before me this 10th day of December, 2012,
by Robert A Lemble as manager of Clear Creek District Water Providers LLC

Notary Public

Guadalupe Hernandez

My Commission Expires

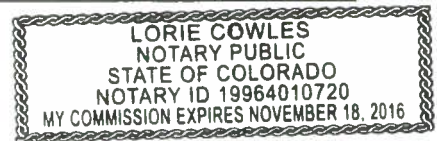
**GUADALUPE HERNANDEZ
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20054011892
MY COMMISSION EXPIRES 4/08/2013**

NOTARY FOR PROSPECTIVE SUCCESSOR

STATE OF Colorado)
COUNTY OF Adams) ss.:

The foregoing instrument was acknowledged before me this 7 day of December, 2012,
by J.C. Marvel Jr. as Manager of Borannan Sand and Gravel
Company, LLC.
Notary Public Lorie Cowles
My Commission Expires November 18, 2016

STATE APPROVAL
[for completion by Division]



- (a) The Board hereby approves the transfer of permit number _____ from
_____ to _____.
- (b) The Board hereby recognizes _____ as Successor Operator under
such Permit.
- (c) The Board hereby accepts the Performance and Financial Warranties submitted by Successor and hereby
releases _____, as former Permittee from all obligations under
its Performance and Financial Warranties. The Board further releases all affected financial warrantors from
obligations under Financial Warranties associated with the former Permittee.

STATE OF COLORADO
DEPARTMENT OF NATURAL RESOURCES
MINED LAND RECLAMATION BOARD
DIVISION OF RECLAMATION, MINING AND SAFETY

By: _____
Division Director

Date Executed: _____

STATEMENT OF LEGAL RIGHT TO ENTER PROPERTY

From: 2982 RHR, LLC, a Colorado limited liability company ("RHR")

To: Brannan Sand and Gravel Company, LLC ("Brannan")

Re: Authorization regarding MMRR Quarry in Gilpin County, Colorado ("MMRR Quarry")

Date: December 7, 2012

As noted in the Special Warranty Deed from TCF Bank to 2982 RHR, LLC attached hereto as **Exhibit A**, 2982 RHR, LLC ("RHR") took title on December 7, 2012 to a parcel of real property in Gilpin County known as 2982 Robinson Hill Road, Golden, CO 80403 ("Property") upon which the MMRR Quarry is proposed.

In response to your request, RHR authorizes Brannan to continue with, and take whatever steps are necessary to complete, the county special use permitting process for the MMRR Quarry in Gilpin County (Application SUR 07-05) including, without limitation, prosecuting any appeals of the County's decision in Resolution #08-18. Additionally, RHR has by that certain Mining Lease and Option Agreement between RHR and Brannan dated December 7, 2012 granted to Brannan the legal right to enter the Property to undertake any and all activities necessary for opening and operating the MMRR Quarry in conformance with MLRB Permit # M-2004-067, and any other authorizations necessary for such mining activities.

RECEIVED

JAN 02 2013

DIVISION OF RECLAMATION
MINING AND SAFETY

EXECUTED as of the date set forth above.


2982 RHR, LLC

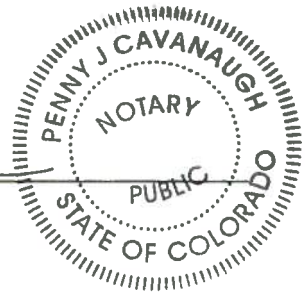
By: 
Richard Damiano, Manager

STATE OF COLORADO)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me on the 7 day of December, 2012 by Richard Damiano as Manager of **2982 RHR, LLC**.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission expires: 1/22/2014

Notary Public



Attachments:

Exhibit A – Special Warranty Deed from TCF Bank to 2982 RHR, LLC dated December 7, 2012.

EXHIBIT A

RECEIVED

JAN 02 2013

DIVISION OF RECLAMATION
MINING AND SAFETY

When recorded, return to:

Justin Boyd
Rothgerber Johnson & Lyons LLP
One Tabor Center, Suite 3000
1200 17th Street
Denver, CO 80202

RECEIVED

JAN 02 2013

DIVISION OF RECLAMATION
MINING AND SAFETY

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED is made as of December 7, 2012, between TCF National Bank ("Grantor"), whose address is 6400 South Fiddlers Green Circle, Suite 800, Greenwood Village, Colorado 80111, and 2982 RHR, LLC, a Colorado limited liability company ("Grantee"), whose address is 8381 Southpark Lane, Littleton, Colorado 80120.

GRANTOR, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Grantor, has sold and conveyed, and by these presents does hereby sell and convey unto the Grantee, its successors and assigns forever, the following real property in the County of Gilpin, State of Colorado, to wit (the "Property"):

See Exhibit A, attached hereto

also known as 2982 Robinson Hill Road, Golden, Colorado.

TOGETHER WITH all improvements, easements and appurtenances thereto belonging or in any way appertaining, and all the estate, right, title, interest, claim and demand whatsoever of the Grantor, either in law or in equity, of, in and to the Property.

GRANTOR does covenant and agree to and with Grantee to warrant and defend the Property and the quiet and peaceful possession of the Grantee, its successors and assigns, against all and every person or persons lawfully claiming the whole or any part thereof by, through or under Grantor, subject to all real property taxes and assessments for the year in which this deed is dated and subsequent years, distribution utility easements, including cable TV, inclusion of the Property within any special taxing district, and all of the covenants, conditions, restrictions, easements and other matters described on Exhibit B attached hereto.

[signature page attached]

THIS SPECIAL WARRANTY DEED is dated as of the day and year first above written.

GRANTOR:

TCF NATIONAL BANK

By: [Signature]
Name: Joseph Moorman
Title: Assistant Vice President

STATE OF COLORADO)
COUNTY OF Arapahoe) ss.

The foregoing instrument was acknowledged before me this 7th day of December, 2012, by Joseph Moorman, as Assistant Vice President of TCF National Bank.

WITNESS my hand and official seal.

My commission expires: 9/19/15

[Signature]
Notary Public

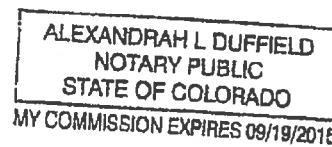


EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

Parcel 1:

The Northeast Quarter of the Southeast Quarter, and
The Northeast Quarter, and
The East Half of the Northwest Quarter, and
All that portion of the Northwest Quarter of the Southeast Quarter, lying northerly of the line described in Book
212, Page 276,
Section 26, Township 3 South, Range 72 West of the 6th P. M.,
Excepting therefrom a portion of the Southeast Quarter of Section 26, Township 3 South, Range 72 West of the
6th P.M., County of Gilpin, State of Colorado, described as follows:
Beginning at the Southeast corner of said Section 26, monumented by a rebar with metal cap stamped L.S.
No. 665; Thence N. 00°26'46"E., 1,309.50 feet along the East Section line of Section 26 to the Northeast
corner of the Southeast Quarter of the Southeast Quarter of Section 26; Thence N. 73°56'37"W., a distance of
1,632.50 feet; Thence S. 33°05'08" a distance of 327.87 feet to a point of intersection with the Northerly
right-of-way line of Colorado State Highway 119 according to the legal description recorded in Book 212 at
Pages 276 and 277 in Gilpin County records; Thence along said Northerly right-of-way line for the following
courses: S. 56°54'52"E., 405.33 feet to a point of curvature; Southeasterly 405.47 feet along a curve to the right
having a radius of 786.30 feet; S. 26°35'52"E., 460.01 feet; N. 63°24'06"E., 25.00 feet; S. 28°35'52"E., 243.59
feet to a point of curvature; Southeasterly 215.67 feet along a curve to the left having a radius of 211.50 feet; S.
04°58'38"W., 25.00 feet; S. 85°01'42"E., 52.40 feet to a point of curvature; Southeasterly 345.55 feet along a
curve to the right having a radius of 527.50 feet; S. 47°29'22"E., 59.27 feet to a point on the South line of said
Section 26; Thence Departing the said right-of-way line, N. 87°31'29"E., along the said South line a distance of
172.13 feet to the Point of Beginning,
County of Gilpin, State of Colorado.

Parcel 2:

The Northwest Quarter of the Southwest Quarter, Section 25, Township 3 South, Range 72 West of the 6th
P.M.,
County of Gilpin, State of Colorado.

Parcel 3:

The West Half of the Northwest Quarter,
Except the North Half of the Northwest Quarter of the Northwest Quarter,
Section 25, Township 3 South, Range 72 West of the 6th P.M.,
County of Gilpin, State of Colorado.

Parcel 4:

The Northwest Quarter of the Southwest Quarter, of Section 24, Township 3 South, Range 72 West of the 6th
P.M.,
County of Gilpin, State of Colorado.

Parcel 5:

The Southeast Quarter, Section 23, Township 3 South, Range 72 West of the 6th P.M.,
County of Gilpin, State of Colorado.

Parcel 6:

The Northeast Quarter of the Southwest Quarter, Section 23, Township 3 South, Range 72 West of the 6th
P.M.,
County of Gilpin, State of Colorado.

Parcel 7:

The South Half of the Southwest Quarter, Section 23, Township 3 South, Range 72 West of the 6th P.M.,
County of Gilpin, State of Colorado.

Parcel 8:

The Southeast Quarter of the Northwest Quarter, Section 23, Township 3 South, Range 72 West of the 6th
P.M.,
County of Gilpin, State of Colorado.

Parcel 9:

The Southeast Quarter of the Northeast Quarter, Section 23, Township 3 South, Range 72 West of the 6th
P.M.,
County of Gilpin, State of Colorado.

Parcel 10:

The West Half of the Northeast Quarter, Section 23, Township 3 South, Range 72 West of the 6th P.M.,
County of Gilpin, State of Colorado.

Parcel 11:

An easement for access and utilities, as described in Easement Agreement recorded December 22, 1996, in
Book 657, Page 488
County of Gilpin, State of Colorado.

{continued, next page}

Exhibit A
Legal Description, continued

Parcel 12:

*An easement for ingress, egress, road and utilities as described in Easement Agreement recorded February 18, 1998, in Book 835, Page 312,
County of Gilpin, State of Colorado.*

Parcel 13:

*An easement for ingress, egress and utilities as described in Easement Agreement recorded February 18, 1998, in Book 835, Page 299,
County of Gilpin, State of Colorado.*

Parcel 14:

*An easement for ingress, egress and utilities as described in Easement Agreement recorded February 18, 1998, in Book 835, Page 318,
County of Gilpin, State of Colorado.*

EXHIBIT B

EXCEPTIONS TO TITLE

1. Intentionally left blank.
2. Intentionally left blank.
3. Intentionally left blank.
4. Intentionally left blank.
5. Intentionally left blank.
6. Taxes and assessments for 2012, a lien not yet due or payable.
7. Any water rights or claims or title to water, in, or under the land, whether or not shown by the public records.
8. Intentionally Left Blank.
9. Intentionally Left Blank.
10. Terms, Agreements, Provisions, Conditions and Obligations as contained in Easement Agreement recorded December 27, 1998, in Book 657, Page 486.
11. Any question, dispute or adverse claims as to any loss or damage arising from the exact location of Highway 119 and the use as a monument or marker for purposes of describing subject lands, and its effect on size and location of the land insured herein.
12. Intentionally Left Blank.
13. Excepting and reserving, however, all the coal and other minerals in the lands so entered and patented, together with the right to prospect for, mine and remove the same pursuant to the provisions and limitations of the Act of December 29, 1916 (39 sta. 862), as shown in Patent recorded June 25, 2002, in Book 762, Page 15.
14. Reservations as contained in United States Patent recorded June 25, 2002, in Book 762, Page 15, as follows:
Rights of way for ditches and canals constructed by authority of the United States.
15. Reserving unto the United States, its permittee or licensee the right to enter upon, occupy and use, any part or all of said lands for the purposes provided in the Act of June 10, 1920 (41 Stat. 1063), and subject to the conditions and limitations of Section 24 of said Act, as contained in Patent recorded June 25, 2002, in Book 762, Page 15.
16. The right of a proponent of a vein or lode extract or remove his ore should the same be found to penetrate or intersect the premises thereby granted, and a right of way for ditches and canals, as reserved in U. S. Patents attached to Confirmatory Deed recorded June 26, 2002, in Book 762, Page 113; and any and all assignments thereof or interests therein.
17. 100% interest in all mineral rights, as reserved in Deed recorded in Book 217, Page 511, and any assignments thereof or interests therein.
18. Intentionally Left Blank.
19. Terms, Agreements, Conditions, Provisions and Obligations as contained in Easement Agreement, recorded February 18, 1998, in Book 635, Page 312.

Exhibit B

Exceptions to Title, continued

20. Any loss or damage arising from the fact that the fence lines on or near the boundary lines of the property do not coincide with the exact boundary lines of the property.
21. Right of parties in possession not shown by the public record, or matters which a survey and inspection of the easement would disclose and are not shown by the public records, as relate to the easement insured herein.
22. Terms, Agreements, Conditions, Provisions and Obligations as contained in Easement Agreement recorded February 18, 1998, in Book 635, Page 299.
23. Terms, Agreements, Conditions, Provisions and Obligations as contained in Easement Agreement recorded February 18, 1998, in Book 635, Page 318.