DIVISION OF RECLAMATION, MINING AND SAFETY JASON, Department of Natural Resources PLEASE NOTE THAT 1313 Sherman St., Room 215 Denver, Colorado 80203 Phone: (303) 866-3567 FAX: (303) 832-8106 THE DUE DATE FOR POSTING THE ADDITIONAL April 2, 2013 BOND IS 5/22/2013, AND NOT 3/22/2013 Jason Burkey Oldcastle SW Group, Inc. P.O. Box 3609 as STATED IN THE Grand Junction, CO 81506 3/22/2013 SI-1 NorKE.

STATE OF COLORADO

John W. Hickenlooper Governor

RECLAMATION

MINING

SAFETY

Mike King Executive Director

Loretta Piñeda Director

RE: Anderson Pit, Permit No. M-2005-021, Reclamation Costs Update and Notice of Surety Increase SI-1

Dear Mr. Burkey:

In an effort to ensure the Financial Warranty for the above referenced site adequately reflects the actual current costs of fulfilling the requirements of the approved reclamation plan, the Colorado Division of Reclamation, Mining and Safety (Division) has updated the reclamation cost estimate (copy enclosed). *Therefore, pursuant to Section 34–32.5–117(4) of the Colorado Land Reclamation Act, adequate Financial Warranty must be submitted to the Division within 60 days of the mailing date of this letter.* The additional amount needs to be accepted prior to Wednesday, May 22, 2013. Please review the enclosed figures as soon as possible and contact our office if any calculation errors are noted.

Staff calculations estimate the cost to reclaim the above referenced site to be $\underline{\$230,100.00}$. This is an increase of $\underline{\$64,847.00}$ over the $\underline{\$165,253.00}$ currently held by the Division. This estimate is based on conditions observed during the March 20, 2013 inspection.

Please make arrangements with Barbara Coria at the Division of Reclamation, Mining and Safety Denver Office, phone no. 303.866.3567, ext. 8148 for submittal of the financial warranty. Any questions regarding completion, execution and/or submittal of financial warranty forms should also be directed to Barbara Coria.

If you require additional information, have questions or concerns, please contact me at the DRMS Grand Junction Field Office.

Dusin Czapla Environmental Protection Specialist Department of Natural Resources Division of Reclamation, Mining and Safety 101 South 3rd, Suite 301 Grand Junction, CO 81501 Phone: (970) 243-6299 Fax: (970) 241-1516

Enc: Financial Warranty Cost Estimate

Sincerely.