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July 18, 2013

Wally Erickson
Division of Reclamation, Mining and Safety
691 CR 233 Suite A-2
Durango, CO 81301

RE: Response to Adequacy letter of July 16, 2013 for Rocky Mountain Aggregate and Construction's Uncompahgre Pit, File No. M-2013-007

Dear Mr. Erickson:

This letter has the answers to all adequacy issues of your July 16, 2013 letter.

1. The required proof of publication for the newspaper notice for the amended application has been included.
2. The proof of service for Mr. and Mrs. Noble has been included.
3. The proposed new bridge crossing of Montrose West Canal has been discussed in Appendix 6. Language per your recommendation was included in the discussion.
4. Proof of receipt of structure agreements for Montrose County, Tri-County Water, and Century Link have been provided in Exhibit S.
5. A detailed discussion of the visual berm between the new access road and County Road T has been provided in Exhibit U. The discussion addresses MSHA requirements. Also, an engineering evaluation discussion has been provided in Exhibit U addressing Ouray Ditch and Montrose West Canal. The statements have been certified by a professional, registered engineer.
6. Rocky Mountain Aggregate and Construction accepts the Division's estimated reclamation cost of $99,409.04. Upon approval, Rocky Mountain Aggregate and Construction will provide financial warranty not less than $99,409.04.

Two copies of all revised pages of the application are also enclosed.

The office number is 720-842-5321. Zane Luttrell, the operator, can also be reached at 970-249-8780.

Tessa R Monday, EIT
Greg Lewicki and Associates

Cc: Zane Luttrell

Rocky Mountain Aggregate and Construction, LLC.

Uncompahgre Pit

112c APPLICATION TO THE COLORADO DIVISION OF RECLAMATION, MINING, AND SAFETY

July 2013

PREPARED BY:

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UNCOMPAHGRE PIT PERMIT

REGULAR 112 OPERATION

TABLE OF CONTENTS

INTRODUCTION

The proposed Uncompaghre Pit is located 9.0 miles south of the City of Montrose in Montrose County, Colorado and accessed from T Road approximately 1 mile west of Highway 550. The site, in relation to the City of Montrose, is shown on Map B-1. The Mining area is located on a dry terrace elevated above irrigated pasture to the east and west. The shop and office are located in farm storage yard / rural residence. The site is bordered to the north irrigated cropland and rangeland. To the east it is bordered by irrigated pasture including the West Canal. Along the southern and western boundary, the Uncompaghre Pit is bordered by rangeland managed by The Bureau of Land Management. Parcel lines obtained from Montrose County are shown on Map B-2. A List of the names and mailing addresses of the landowners are listed in Exhibit R.

The topography within the permit area slopes gently down toward the north and is perched on an alluvial terrace. The disturbed area for the Uncompaghre Pit is 190.58 acres for the mining area and sediment ponds, 3.96 acres for Topsoil Stockpile #1, 13.81 acres for the access road, 1.58 acres for the lower topsoil berm and 3.69 acres for the office and shop area. The permit boundary is shown on Map C-1 and the entire permit area is 253.25 acres. This upper terrace to be mined has historically been used for dryland grazing. The terrace has also been used often for target practice and big game hunting. The 3.69 acre lower office/shop area has been a home with associated outbuildings for many years.

The permittee for this site is Rocky Mountain Aggregate and Construction, LLC, who has a lease with the property owner, Lazy K-Bar Land and Cattle Company, LLLP.

The site will be reclaimed to a land use of rangeland for animal grazing and wildlife habitat. The topography of the reclaimed land is shown on Map F-1. All maps are found in Appendix 5.

EXHIBIT A LEGAL DESCRIPTION

The site is approximately 9 miles south of Montrose, CO. A legal description is shown on Map C-1. A general location map is enclosed as Map B-1 in Exhibit B. The total permit area is 253.23 acres and consists of a large mining area and a small Shop/Office Area. The main entrance to the Mining Area is located at coordinates 038.7190266° N 108.1248967° W on T Road. The main entrance to the shop area is from T Road.

LEGAL DESCRIPTION

1) Mining Area and Access Road

A tract of land located Section 27 and 34, Township 47 North, Range 9 West of the New Mexico Principal Meridian, Montrose County, State of Colorado and being more particularly described as follows:

Commencing at the northeast corner of said Section 27; thence N 25°31'36"W a distance of 805.94' to the point of beginning;

thence S 38°04'10" E a distance of 73.67';
thence S 10°08'12" W a distance of 534.19';
thence S 12°02'09" W a distance of 394.28';
thence S 26°05'26" E a distance of 172.11';
thence S 01°26'07" E a distance of 290.77';
thence S 21°53'56" W a distance of 283.96';
thence S 18°44'06" E a distance of 326.82';
thence S 89°48'14" W a distance of 306.51';
thence S 87°54'56" W a distance of 374.99';
thence S 87°21'52" W a distance of 1743.62';
thence N 58°47'44" W a distance of 629.88';
thence N 00°15'26" W a distance of 5714.23';
thence S 58°43'01" E a distance of 459.23';
thence S 45°53'38" E a distance of 606.16';
thence S 35°52'06" E a distance of 580.73';

thence S 23°04'11" E a distance of 416.12';
thence S 00°21'25" E a distance of 555.27';
thence N 89°20'35" E a distance of 215.85';
thence S 44°04'07" E a distance of 147.54';
thence S 11°45'27" E a distance of 253.97';
thence S 10°27'11" E a distance of 247.79';
thence S 02°42'52" E a distance of 261.32';
thence S 19°33'37" W a distance of 323.09';
thence S 13°19'39" E a distance of 440.51';
thence S 32°28'22" E a distance of 1000.05';
thence S 08°11'33" E a distance of 232.79';
thence S 03°14'21" E a distance of 310.08';
thence S 06°03'06" E a distance of 383.36';
thence S 29°04'02" E a distance of 103.98';
thence N 84°04'17" E a distance of 195.55';
thence N 28°33'50" E a distance of 195.47';
thence N 16°09'06" W a distance of 380.69';
thence N 09°38'19" E a distance of 377.15';
thence N 15°27'41" W a distance of 426.19';
thence N 00°00'00" E a distance of 312.62';
thence N 82°09'01" E a distance of 212.67';
thence N 78°13'50" E a distance of 142.38';
thence S 39°26'34" E a distance of 51.88';
thence N 86°37'11" E a distance of 82.72';
thence N 57°35'01" E a distance of 836.05';
thence N 89°32'33" E a distance of 1159.78';
thence S 89°43'59" E a distance of 297.84';
thence S 80°46'51" E a distance of 138.36';
thence S 00°04'14" E a distance of 491.40';
thence N 87°21'46" W a distance of 157.90';
thence N 35°03'30" W a distance of 373.22';

thence N 24°16'20" W a distance of 85.55';
thence N 89°53'51" W a distance of 1151.63';
thence S 58°01'06" W a distance of 710.33';
thence S 59°51'14" W a distance of 155.03';
which is the point of beginning,
having an area of
11030644.65 square feet,
253.229 acres

Therefore, the entire permit area is 253.23 acres, all of which is owned by Lazy K-Bar Land and Cattle Company, LLLP.

The above described property is to be used for gravel source, office, shop, roads, stockpiles, and processing equipment.

EXHIBIT B INDEX MAP

Map B-1, shown on the next page, is an index map which shows the general location of the site.

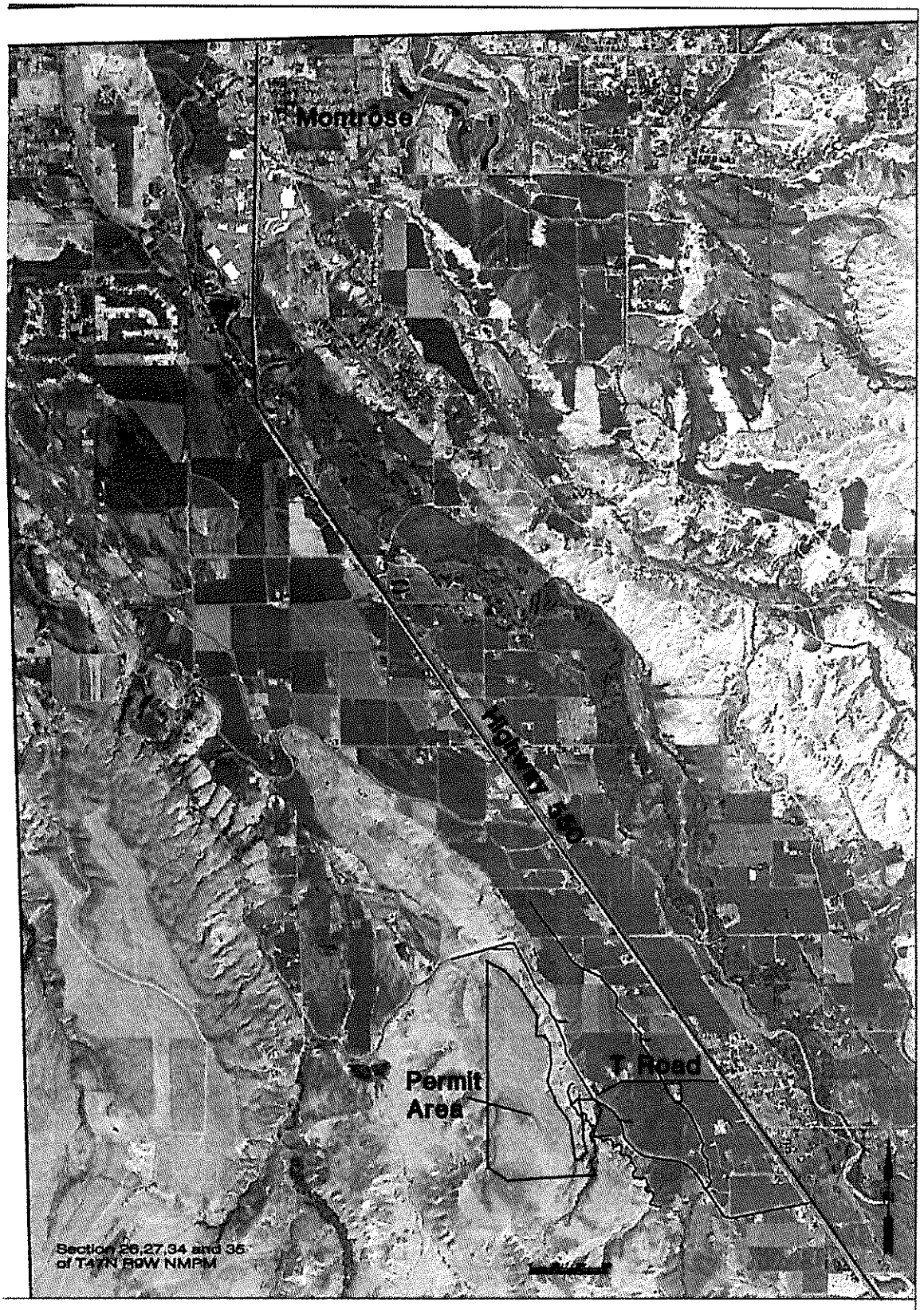


Table B-1 for Corresponding Landowner Names and Addresses

Revisions	BY	DATE	DES
			DRN
			CHK
			APPD

DATE 12/31/12
SCALE 1" = 900'

Greg Lowicki And Associates

Map B-1
General Location Map
Rocky Mountain Aggregate and Construction
Uncompahgre Pit

EXHIBIT C PRE-MINING AND MINING PLAN MAPS OF AFFECTED LANDS

Map C-1 shows the general pre-mine conditions of the site.

Map C-2A shows the pit mined through Mining Area 4. Mining Area 5 is essentially a natural berm along the perimeter of mining area preserving a visual and noise barrier.

Map C-2B shows the pit fully mined out.

Map C-3 shows the cross sections of the current conditions and the mined out conditions.

All maps are found in Appendix 5.

EXHIBIT D MINING PLAN

1. General Mining Plan

The permit area will be staked prior to any additional site disturbance. Map C-2A shows the configuration of the site after mining has progressed through mining Area 4. This map also displays the visual buffer berm left as Mining Area 5. Map C-2B shows the configuration of the fully mined out pit as well as the location of the processing plants, stockpiles and office/shop area. The plan shows that mining will be done in 5 phases: Mining Areas 1 through 5. Mining Areas 1 through 4 contain the majority of the gravel resource and Mining Area 5 is used to retain the visual buffer to the end of mining. Processing of the gravel will be conducted within Mining Area 1 as shown on Map C-2B. The gravel will be excavated and hauled to the crusher with a loader. Mining will progress in order starting in Mining Area and finishing in Mining Area 5.

Access to the mining area will be from a new access road starting at T Road immediately west of the Horsefly Creek bridge crossing. Originally, it was contemplated to use T Road to access the pit area, but a few houses are very close to the road, so therefore, Rocky Mountain decided to move the access 100 feet south of T Road. This new access slightly disrupts the irrigated field, but it provides better mitigation for the homes along T Road. In addition to constructing this new access, the operator commits to constructing a permanent berm of 6 feet height, with slight undulations immediately north of the access road to protect the residences from noise, dust and visual impact from the truck traffic on the road. The berm will be topsoiled with at least 8-12 inches of topsoil and seeded and mulched using the dryland range mix described later in this reclamation plan. This access road will cross the Montrose West Canal with a new crossing, and will then traverse up the side of the terrace and end in Mining area 1. This access road is shown on Map C-2A. The access road will be approximately 24 feet wide travel surface with a small v-shaped drainage ditch on any cut slope of approximately 1.0 feet depth. The entire access road will be paved with recycled asphalt to a depth of 4 inches, underlain by 2 inches of Class 6 road base, underlain by 18 inches of pit run gravel. The crossing of the Montrose West Canal will be in a new small bridge, which is the same size as all other crossings of the Canal in the surrounding area. This bridge will be designed by an experienced professional engineer acceptable to Montrose County Engineering Department. The design will also be approved by

Montrose County Engineering. This entire new road will be part of the permit area. The access to the shop and office area is directly from T Road. The anticipated haul route will utilize this new Access Road, which converges with T Road east of the residences and then north or south on Highway 550 depending on the location of the project. There is minimal overburden on site, but it averages at approximately 1 foot thick with 1 foot of topsoil above the overburden. The loose gravel deposit is very uniform at approximately 25-35 feet thick. The deposit tapers out as the terrace transitions from the flat top to the side slopes. Below the loose gravel deposit is shale which is exposed on the side slopes of the terrace.

Topsoil will be salvaged from all Mining Areas. The expected topsoil thickness is 12 inches. Initially, topsoil will be stockpiled in the southwest corner of the permit area (See Map C-2A) in Topsoil Stockpile 1. Approximately 77,000 cubic yards of topsoil from Mining Area 1 will be stockpiled here. The topsoil in this stockpile will be used for reclamation. All other topsoil will be salvaged and directly replaced on areas that have been previously excavated. The operation will mine for a few months per year and produce stockpiles to last the remainder of the year. Product sales will occur throughout the year. Crushed product will be stored within the Mining Area 1. All final slopes will be mined to 3H:1V or less to reduce the amount of reclamation required after mining. In reality, the upper gravel portion of the terrace will be removed, so that the reclaimed slopes in the mining area will actually be milder than 8H:1V in almost all cases. The overburden will not be stockpiled but directly replaced on the pit floor as it is mined. In addition to the overburden, crusher fines will be placed on top of the shale to provide a deeper growth medium above the shale. The mining areas and stockpiles are shown on Map C-2B.

Table D-1 Mining Area Material Table

Mining Area	Acreage	Topsoil (C.Y.)	Overburden (C.Y.)	Gravel (tons)
Mining Area 1	47.77	77,069	77,069	2,298,000
Mining Area 2	42.22	68,115	68,115	2,622,000
Mining Area 3	43.61	70,357	70,357	3,082,000
Mining Area 4	43.35	69,938	69,938	2,904,000
Mining Area 5	13.68	22,070	22,070	413,000
Total	190.63	307,550	307,550	11,319,000

The material volumes described in Table D-1 are approximate but are based on limited drilling and test pits that were dug on site. Note that the areas above are located in the mining area. The anticipated total disturbed area for the mining area portion of the operation consists of 190.63 acres, which includes the sediment ponds. The additional disturbance comes from the access road, topsoil stockpile, and the office / shop area. This is 11.82 acres for the access road and residential protection berm, 3.96 acres for the topsoil stockpile and 3.69 acres for the office and shop area. Therefore, the total disturbed area is 210.1 acres over the life of the mine. The disturbance at any one time is much smaller since there will be ongoing reclamation as the pit advances.

Topsoil will be stripped prior to mining each year. Overburden will be removed at the same time as the topsoil but will be handled separately. Topsoil will be stockpiled or directly replaced depending on the portion of the area being mined. Overburden will be placed on the pit floor and not stockpiled. Details of the topsoil handling are shown in Table D-2 and also in Exhibit E - Reclamation Plan. Gravel will be directly loaded into the crusher by a loader or will be hauled to the crusher from the mining face in a truck.

Highway trucks will haul sellable material to market from the processing site. Truck traffic will descend on the access road to the junction of T Road where it crosses the Montrose West Canal.

2. Mining Timetable

The following table (Table D-2) is a best estimate of the sequence of operations for the life of the mine and is based on producing 104,000 raw tons per year and selling 100,000 tons per year.

Table D-2 Uncompahgre Pit Mining Sequence

Year	Production per year (tons)	Phase	Comments	Length of time to complete (years)
2013	-	1	Site Preparation, Construct Ponds, Topsoil stripping, build stockpile along northern permit boundary.	0.25
2013-2035	104,000	2	Mine in Mining Area 1, stockpile topsoil. Seed the stockpile. Place overburden on the pit floor.	22.1
2035-2060	104,000	3	Mine in Mining Area 2, place topsoil on the sideslopes and pit floor of Mining Area 1. Seed and mulch topsoiled area.	25.2
2060-2090	104,000	4	Mine in Mining Area 3, Place topsoil on the sideslopes and pit floor of Mining Area 2. Seed and mulch topsoiled area.	29.6
2090-2118	104,000	5	Mine in Mining Area 4, Place topsoil on the sideslopes and pit floor of Mining Area 3. Seed and mulch topsoiled area.	27.9
2118-2122	104,000	6	Mine in Mining Area 5, Place topsoil on the sideslopes and pit floor of Mining Area 4. Seed and mulch topsoiled area.	4.0
2122-2123	-	7	Remove scale and mobile equipment. Place stockpiled topsoil on the pit floor and sideslopes of Mining Area 5 and the pit floor of the existing pit area. Seed and mulch topsoiled area.	1.0
			Total	105.1

The mining schedule is planned to minimize disturbance by reclaiming areas as additional mining is undertaken. This table is based on a reasonable projection of average production rates, which can vary significantly. If production and sales increase to 200,000 tons per year, the mine life is shortened to 52.5 years. The table shows that mining and reclamation will occur approximately 105 years and the total gravel sold will be approximately 11 million tons. The large size of this operation allows for the operator to plan for the future as well as the County Planning Department to know there is a long term source of material in this portion of Montrose County.

3. Mine Facilities and Operation

The crushing and screening will take place within the Mining Area 1. Fuel will be brought to the site by a mobile fueling truck. On site fuel storage needs will vary depending on the plants that are located on site at any one time. The mining, crushing and screening equipment will require a single 3,000 gallon diesel tank which will be located near the crushing/screening plant as shown on map C-2A. A 10,000 gallon tank will be located in the shop/office area as shown on Map C-

2A. Both tanks will have secondary containment of at least 110% of the full tank capacity. The 10,000 gallon tank will have a concrete block wall around it of minimum dimensions of 12' x 3' x 37.3'. It will be cemented and lined with a 20 mil HPDE liner or aquitard. The 3000 gallon tanks will be a factory double-walled tank on skids. Spills within the mine area also have a third level of containment, which is the natural berm around the area. Both of these tanks are subject to a strict SPCC plan for the site. An SPCC Plan will be placed in the mine office and the employees will be trained to take the appropriate steps for inspections and spill response in case of a spill. All portable plants will have their own tanks built into the plant that have built-in secondary containment and are covered under their own portable plant SPCC Plans. If any fuel spill is encountered, the material will be removed from the site. The Division will be notified in the case of any toxic or hazardous substance, including spills of petroleum product in accordance with the requirements of Rule 3.1.13. Upon final reclamation, all equipment will be removed from the site.

A portable wash plant will be utilized on site to create washed products for the Concrete and Asphalt plants as well as sell washed aggregate products. The wash plant will be fed with crushed and screened products and will remove the fine material as required in the material specifications. These fines will be deposited in the wash pond located near the wash plant within Mining Area 1. This pond will periodically be cleaned out. The fines will be deposited in the depression around the plant area and reclaimed at the end of mining. Water consumed in the wash plant will be hauled from the irrigation ditches on this parcel. See Exhibit G for additional details on water use.

The portable concrete plant will consist of a lime silo, fly ash silo, loading hoper, control room and a batching hopper. Concrete mixer trucks will haul the material from the mining area to the various project locations. The mixer trucks will be stored next to the concrete plant when not in use. The sediment ponds will also serve as a concrete washout ponds. Excess concrete created during batch operations will be laid out on a gravel pad and allowed to cure. The excess concrete will be recycled in the crushing operation.

The portable asphalt plant will consist of burner fuel tanks, asphalt cement tanks, mixer drum, loading hopper and a control room. Asphalt batching operation will only be conducted in the

warmer months as it can only be installed in these months. The asphalt plant may be stored on site during the winter months depending on the projects schedules. Excess asphalt produced during batching operations as well as spillage will be cleaned up daily and placed in an asphalt material storage location. The asphalt material will be directly recycled into the mixer drum on the next asphalt production run.

No permanent structures will be built within the mining area. The control rooms, scale house, truck scales and plants will be portable, although the scale will have a concrete foundation. The office and shop will be constructed in the office and shop area, as shown on Map C-2A.

Maintenance vehicles will visit the site regularly to provide oil, grease, and perform other minor maintenance on vehicles and equipment. Any major repair work required will be performed in the shop.

The following list is the best estimate of the required equipment to be used onsite throughout the mine life:

Gravel Crushing Equipment

- Portable Jaw Crusher
- Portable Cone Crusher
- Portable Screen Decks
- Portable Stacking / Transporting Conveyors
- Water Truck for dust suppression
- Portable Generators for plants
- Electric Control Van
- Wheel Loader Cat 988, Cat 980
- Cat D-9 size dozer or equivalent
- Portable Wash Plant
- Portable Concrete Plant and Mixer Trucks
- Portable Asphalt Plant and Highway Haul Trucks

Support equipment will to come to the site on an as-needed basis. The 3.69 acre area will house the mine office, the shop, parts storage and a truck scale. The employee and vendor parking area will also be located here.

There will be no blasting as part of this operation.

No refuse, acid or toxic producing materials are expected to be encountered in this operation. If these materials are encountered, topsoil will be placed over the area and mining will move to a different area.

The stormwater containment berms are intended to hold the stormwater for less than 24 hours. This will be done by storing the water on the pit floor. The stormwater will infiltrate to the groundwater as it did prior to mining.

All existing fencing will stay in place. Any new fencing will be installed according to the Division of Parks and Wildlife's specifications.

The operator commits to clearly marking the affected area boundary with stakes surveyed on site, once the permit is approved. It is planned that the material may be used to provide base material for construction projects in the area.

One main road will be present in the mining area and will change locations in the pit as mining progresses. This road will access Mining Area 1, which also is accessed by the new access road. In pit roads are not delineated as they will move throughout mining.

4. Topsoil, Overburden Handling

As previously stated, the average topsoil depth on the mining terrace is 12 inches. Overburden is approximately the same thickness. Topsoil will be salvaged from all Mining Areas as well as the reclaimed slope that needs to be re-disturbed. Topsoil from Mining Area 1 will be stockpiled in Topsoil Stockpile 1 located in the southwest portion of the permit area. All other topsoil will be directly replaced except for that placed in the permanent residential mitigation berm located north of the access road as shown on Map C-2A. This berm will be approximately 6 feet high, with 3H:1V sideslopes over a length of 2240 feet. Therefore, the amount of topsoil required for

this berm is 2990 cubic yards. This topsoil will come from the excavation of the access road itself in the irrigated field. The remaining volume from the berm will come from overburden from the pit. In order to get rapid vegetation on the topsoil berm and stockpile, an initial seed mix of 40 lbs of oats per acre will be seeded on the areas and will be watered if needed to get vegetative growth immediately after seeding. Overburden encountered during mining will be placed on the pit floor of previously excavated areas. The expected average topsoil thickness available for salvage is approximately 12 inches with a stripping range of 6-18 inches. The topsoil stockpile will be seeded with the rangeland seed mix shown in Exhibit E.

Further details of overburden and topsoil re-distribution are discussed in **Exhibit E: Reclamation Plan.**

5. Water Handling

All water rights issues such as availability of water for this operation, consumption rates, dust control, etc. are presented in Exhibit G - Water Information.

During initial topsoil stripping, v – ditches of approximately 18 inch depth and 2.5H:1V sideslopes will be constructed around the initial area to be disturbed, which will lead to the mine sediment ponds. This is a series of two small ponds as shown on Map C-2A and C-2B. These ponds will be approximately 8-9 feet high and are located in a natural gully on the west side of the permit area. The ditches will gravity feed these ponds and the lining of these ponds will be the natural gravel that exists on the site. The ponds will be constructed of fill compacted to 90% maximum dry density and the outslope and inslope will be 3.0H:1V. The emergency spillway for each pond will be a trapezoidal spillway of 10 feet width at the bottom, 3H:1V sideslopes and a grade of 1% toward the outslope. The emergency spillways will be lined with durable rock of D50 of 8 inches to an average depth of 12 inches. Each pond will have a 4 inch pipe that will be installed above the sediment cleanout level so that the pond can be dewatered after proper settling has been achieved. The valve will normally be shut and will only be opened when the water quality meets the requirements of the discharge permit.

Once the pit has excavated some area, all runoff from the disturbed mining area will be trapped in the excavation and it is extremely unlikely that the ponds will receive runoff after that time.

The access road will have v-ditches on the cut slopes that will fall off into the natural terrain on both sides. An 18 inch CMP will be installed in the access road crossing of the Ouray Ditch. Four additional culverts are also to be installed along the road. The designs for these culverts are given in Appendix 7.

The junction of the mine access road and T Road will take place at the crossing of the Montrose West Canal. The current bridge is steel beam and concrete and adequate to handle the loads but will require improvement to the width. The current width of 14 feet must be expanded to a width of 24 feet which matches the access road width and allows full 2 lane traffic. This extra width will be accomplished by removing the existing bridge and replacing it with a new steel and concrete crossing structure that will be designed by a professional engineer and installed according to the design specifications. It is planned that this work will take place at the end of the 2013 construction season.

Once Mining Area 5 is removed, the unreclaimed portions of the site would again be vulnerable to erosion. For this reason, the outside edge of the perimeter of the site will have an 18 inch high berm of approximately 6H:1V slope left in place to ensure that no disturbed area runoff leaves the site in the final reclamation stage.

6. Schedule of Operations

Mining operations will only occur as dictated by demand. Mining, crushing and screening may take place in any part of the year but is expected to be limited to less than 7 months per year. Product will be sold throughout the year, although far less material is expected to be sold in winter months. The operator will not have night gravel mining operations, although minor truck activity or repairs may occur after hours.

7. Montrose County Impacts and Environmental Impacts

The aggregate production is estimated to be 104,000 tons annually. Sales are expected to be 100,000 tons per year, although this is only approximate since past forecasts of economic conditions have been erratic. Impacts to Montrose County include:

a) Truck traffic: Highway trucks will utilize the new access road to T Road and Highway 550 to haul material to individual project locations. An access permit has been filed with CDOT to

access Highway 550 from T Road. The engineering report for the access has shown that the low level of production will may still require significant improvements to the intersection of T Road and Highway 550.

b) Noise: Will be minimized since the majority of the operations will be on the pit floor which is up to 35' below the surrounding ground, since the natural berm will be in place for the vast majority of the mining operation. The nearest residence is approximately 645 feet from the edge of the mining area but this residence is owned by the applicant. The nearest residence to the edge of the mining area not owned by the applicant is 1190 feet. The residential mitigation berm also protects the homes along T Road, since the pit traffic will use the new access road located south of the berm.

c) Dust: Although the pit activities will be watered and all operations on the site are regulated by the Air Quality Control Division of the CDPHE, the relatively low annual production, aggressive watering of roads and limiting the disturbed area should prevent significant dust impacts.

d) Visual impact: This is subject to an evaluation as part of the Special Use process. The lower 3.69 acres for the office and shop area will remain essentially the same as it currently exists since the existing house will be used as an office. A new shop and supply building will be built in this area but this is not different from many other commercial sites along Highway 550 north and south of this site. The access road will have approximately 8.32 acres of disturbance but this area is hidden from Highway 550 by placing the road in a natural dry gulch with a bluff between the road and Highway 550. The closest point of this access road is over 3500 feet from Highway 550. All cuts and fills required for this road will be reclaimed within 6 months of the road construction. Visual impact from the pit will also be minimized by essentially mining down into the gravel deposit while leaving a natural berm around the perimeter of the site, which will only be mined out at the end of the mine life, leaving a flat terrace. Initially, the portable plants and the topsoil operation may be visible to a few residents west of the pit in the lower valley but once the deposit has been mined in a 7-10 acre area to its depth of 25-35 feet, all equipment and plants will be placed on the bottom and will be basically invisible to anyone located in any direction from the pit. Only at the very end of the mine life, when the natural berm is removed, will the excavation equipment be seen again. This is Mining Area 5 and has a reserve amount of 411,000

tons. It should be mined in approximately 4 years or less. Once it is mined out, the terrace will be completely restored to rangeland and wildlife habitat. Visual impact from the truck traffic to the residences along T Road is also mitigated by the residential mitigation berm north of the new access road.

e) The product from this mine will positively impact the local community by supplying construction materials for the foreseeable growth of this part of Montrose County. It also has the advantage of supplying this area with construction material from the same area, thus limiting the amount of truck traffic that goes through the town of Montrose and also greatly lessening truck traffic on the highway system, which in turn will lessen road repairs. Also, lessening truck traffic by providing construction materials near to the end use will also lessen the amount of greenhouse gases produced for many years to come.

f) The hydrological system will detain all runoff so that sediment will not leave the site and cloud any downstream waters. There will be sanitation facilities located in the Mining Area, therefore no leach fields or other means of sewage disposal within the Mining Area. A septic system is planned within the Office Shop area and will be permitted through Montrose County.

g) The Uncompahgre Pit will be reclaimed to rangeland and wildlife habitat as shown on Map F-1. The operator will work closely with the County, NRCS, CDPW and the DRMS to ensure that the reclamation plan is the most appropriate for achieving the post-mining land use.

7. Import Fill, Recycled Concrete and Asphalt

The pit will accept concrete and asphalt materials that have been removed from existing sites in order that they can be recycled through the plants on site. Fill material may also be accepted into the mine site. Fill material will be spread out on the mined out pit floor and will be blended into the final landscape. Some material may also be re-sold as construction material. Any importation of structural fill materials will occur in accordance with the requirements of Rule 3.1.5(9). None of this material can be accepted by the Operator unless the attached form is filled out by the entity bringing the material to the site. The form provides an assurance that all material brought to the site is inert and has no toxic or acid forming material above acceptable limits.

Affidavit For Import of Materials into Uncompahgre Pit

Date or Time Period of Import:

Description of Import Material:

Entity Providing Material to Pit (not the trucking Company):

I hereby certify that the material described above and brought to the Uncompahgre Pit site is inert, which means it is free from any chemicals, toxic substances, acid forming material, or any other material which would violate the material waste disposal laws of the State of Colorado.

_____ _____

Signature Written Name of Signer

_____ _____

Signer's Position in Company Company

Date: _____

EXHIBIT E RECLAMATION PLAN

1. General Reclamation Plan

The total area of the permit is 253.25 acres. The permit has both a disturbed area (210.1 acres) and an undisturbed area (43.15 acres). Much of the undisturbed areas are perimeter areas of the pit and sediment ponds and the access road. The access road and associated residential mitigation berm is to be left in place for access to the reclaimed rangeland. The reclaimed land use is shown in Table E-1.

Table E-1 Uncompahgre Pit Reclamation Land Use

Land Use	Area (acres)	Area Revegetated
Reclaimed Rangeland from Mine Areas	190.63	190.63
Reclaimed Rangeland from Topsoil Stockpile	3.96	3.96
Undisturbed Rangeland	43.15	0
Access Road left in place	13.81	0
Office/Shop Area left in place for commercial use	3.69	0
Total	253.25	194.59

Reclamation will be conducted as new areas are disturbed throughout the year. This will most likely happen in small increments a few times per year, with topsoil, crusher fines, and overburden being placed in the previously excavated areas of the pit. See Map F-1 for details. Once the pit mines out the initial 7-10 acres, the pit will strip topsoil on 2-5 acres per year and will place this topsoil directly on regraded mined out areas in back of the pit. In this way, reclamation will be concurrent and the maximum pit exposed area at any one time will be approximately 16 acres. This will also help reduce the exposed land area, which will reduce the reclamation bond and impacts to wildlife. The pit floor will be graded to drain to the northwest. The pit excavation itself will prevent on site stormwater from leaving the site until vegetation is sufficient to control erosion.

2. Topsoil Replacement

The amount of topsoil proposed to be salvaged and replaced is 312,000 C.Y. as shown in Table D-1. All of the areas will receive topsoil replaced to a thickness of 6"-18", including the existing disturbance. The average is approximately 12 inches. The topsoil from the topsoil stockpile will

be used on the remainder of the site that was not concurrently reclaimed and will include areas like the plant area, in pit roads, Mining Area 5 and portions of Mining Area 4. All other mining areas will receive topsoil directly from surrounding mining areas. The compacted areas will be ripped prior to topsoil placement the help root penetration past the topsoil.

3. Haul Roads and Access

Portions of the existing roads in the permit area will be removed and others altered. See Map F-1 for details. Access through the site will remain after mining using the access road installed as shown on Map C-2A

4. Reclamation Timetable

The timetable for reclamation is shown below in **Table E-2. Reclamation Timetable.** Exhibit L: Reclamation Costs describes the worst case bond scenario.

Table E-2 Reclamation Timetable

Year	Production per year (tons)	Phase	Comments	Length of time to complete (years)
2013	-	1	Site Preparation, Construct Ponds, Topsoil stripping, build stockpile along northern permit boundary.	0.25
2013-2035	104,000	2	Mine in Mining Area 1, stockpile topsoil. Seed the stockpile. Place overburden on the pit floor.	22.1
2035-2060	104,000	3	Mine in Mining Area 2, place topsoil on the sideslopes and pit floor of Mining Area 1. Seed and mulch topsoiled area.	25.2
2060-2090	104,000	4	Mine in Mining Area 3, Place topsoil on the sideslopes and pit floor of Mining Area 2. Seed and mulch topsoiled area.	29.6
2090-2118	104,000	5	Mine in Mining Area 4, Place topsoil on the sideslopes and pit floor of Mining Area 3. Seed and mulch topsoiled area.	27.9
2118-2122	104,000	6	Mine in Mining Area 5, Place topsoil on the sideslopes and pit floor of Mining Area 4. Seed and mulch topsoiled area.	4.0
2122-2123	-	7	Remove scale and mobile equipment. Place stockpiled topsoil on the pit floor and sideslopes of Mining Area 5 and the pit floor of the existing pit area. Seed and mulch topsoiled area.	1.0
			Total	105.1

The timetable above is based on sales of 100,000 tons per year. The life would be greatly reduced if this production increases in the future.

5. Revegetation Plan

The reclamation seed mix is intended to restore a vegetation community that is good for cattle and/or sheep grazing and deer/elk grazing but the mix also contains shrub seed which could potentially result in sage grouse use in the future. Many years of experience in reclaiming sites such as this have shown that although the reclamation seed mix contains considerable grasses which will rapidly grow, eventually the shrubs (particularly sagebrush) will take over the site and fully restore the existing community.

The areas being reclaimed will be harrowed and drill seeded in the spring and fall with a mix consisting of the following in order to control erosion:

Species	Lbs Pure Live Seed per acre
Sulfur Flower Buckwheat	2.0
Daisy Fleabane	1.0
Galleta (floret)	3.0
Small Burnet	2.0
Indian Ricegrass	3.0
Winterfat	0.5
Shadscale	0.5
Scarlet Globemallow	0.5
Bottlebrush	0.5
Rabbitbrush	0.5
Four-winged Saltbush	1.0
Total	14.5 lbs pure live seed per acre (drilled rate)

This mix will provide a variety of shrubs, forbs and grasses for the reclamation of the terrace and all of the species have been recommended by the local office of the Colorado Division of Parks and Wildlife. These grasses have proven to do well in the dry medium elevation environment of western Colorado. They will prevent erosion and do provide forage and cover for animals. Certified weed free hay or straw mulch will also be applied at the rate of 2000 lbs/acre. The mulch will be crimped into the ground to provide soil stabilization. Fertilizer is not anticipated to be used for revegetation assistance. Annual evaluations will be conducted on the revegetation efforts and the use of fertilizer will be re-evaluated at that time.

6. Post-Reclamation Site Drainage

The site will contain a 100 year 24 hour event event. Once Mining Area 5 is removed, the unreclaimed portions of the site would again be vulnerable to erosion. For this reason, the outside edge of the perimeter of the site will have an 18 inch high berm of approximately 6H:1V slope left in place to ensure that no disturbed area runoff leaves the site in the final reclamation stage.

This stormwater containment berm will hold back the water producing a shallow pool. This pool will quickly dissipate into the pit floor. No drainages enter the site, meaning a diversion ditch will not be needed. A small area in relation to the total mining area (the southwest portion) will be allowed to drain into the reclaimed area, but the size of the pit floor will be able to allow infiltration. Stormwater will sheet flow down the side slopes (3H:1V) across the pit floor and pool behind the stormwater berm. This berm will be left in place due to its shallow slopes and minimal height. It will be seeded and mulched at the time that the various segments on Mining Area 5 are excavated.

The sediment ponds will be constructed less than 10' above the natural surface, therefore the Office of the State Engineer does not need to be notified. This pit will be operated above the water table and water to be used for dust suppression will be supplied from Irrigation water rights. A stormwater discharge permit will be obtained during mining operations but will not be needed after reclamation. The sediment ponds will be left for stock use and wildlife use, since there is almost no water on the terrace during the entire year.

7. Revegetation Success Criteria

Revegetation will be deemed adequate when erosion is controlled, and the vegetation cover is similar to the existing cover, and is considered satisfactory according to Division standards. No shrub standard is proposed for the reclamation success criteria.

8. Monitoring Reclamation Success

Monitoring the reclamation on an ongoing basis will ensure its success. The operator plans to use the local NRCS office to determine the capacity of the reclaimed land to control erosion. If minor changes or modifications are needed to the seeding and reclamation plan, revision plans will be submitted to the Division. It is hoped that the Division will provide assistance in evaluating the success of the ongoing reclamation process. Information on all areas disturbed and reclaimed as well as any other important items regarding the reclamation will be submitted in the annual reports to the Division. Montrose County and Division of Parks and Wildlife will also be consulted on the progress of the reclamation.

9. Weed Control

Measures will be employed for the control of any noxious weed species. Control measures will also be used if the growth of weed species on the reclaimed area threatens further spread of the weeds to nearby areas. A Weed Control Plan will be utilized as follows:

1) *Each April, a weed survey will be taken of the permit area.*

2) *If any patches or plants have been identified, they will be sprayed by backpack sprayer or 4-wheeler using chemicals approved for use by the weed control staff of Montrose County.*

3) *After reclamation, weed surveys and spraying will continue until the perennial cover and production of the site have met DRMS requirements and bond release has been obtained.*

The Division and Montrose County weed control staff will be consulted regarding any weed infestation areas and any control measures prior to their initiation. The plan does not contemplate total weed removal on the property. Past experience has shown that some initial weed cover in the first year following the retopsoiling is beneficial to the reclamation effort in rangeland site.

EXHIBIT F RECLAMATION PLAN MAP

Map F-1 shows the final contours of the reclaimed area as well as the final land use.

EXHIBIT G WATER INFORMATION

1. Surface Water General Discussion

The surface water features within and near the permit area are the Montrose West Canal and the Ouray Ditch which are approximately 300 feet east of the mining area boundary. The irrigation ditches only run during irrigation season, which varies yearly but is normally from the start of April to the end of October. Existing stormwater on the terrace either infiltrates through the gravel or runs off through the un-named drainages. Surface water within the disturbed area will be collected during mining in the northwest portion of the mining area and will infiltrate. No sediment will be allowed to leave the site and cloud any downstream waters. The site will not affect existing water rights, since the pit will not expose groundwater and will not store stormwater for more than 72 hours.

After reclamation, stormwater encountered in the mining area will continue to infiltrate or evaporate.

2. Hydrology and Sediment Control for Mining

Water that is encountered in the pit will not be released from the site. The only water that will be found within the disturbed area is stormwater runoff and water hauled to the mining area and used in processing and for dust control. During topsoil stripping, ditches will lead to the sediment ponds, shown on Map C2-A, to ensure that no runoff leaves the site. The ponds and bermed areas will contain the 100 year runoff from the area that drains to it. Once the excavation of the pit has started, all water from the disturbed area will drain to the bermed pit and cannot leave the site. More details on the sediment control system and the ponds are shown in Subsection 5 of Exhibit D – Mine Plan.

3. Groundwater

Since the test pits did not show groundwater and there are no visible seeps or springs, groundwater is not expected to be encountered during mining. While no groundwater is anticipated to be exposed by excavation, if it is exposed, excavation will cease at an elevation of 2 feet above the groundwater level.

Buckhorn Geothech, Inc. conducted a groundwater monitoring survey of the property in 2006. They installed 20 groundwater monitoring standpipe piezometers on the property and these were

monitored during a period from April 10 to July 27, 2006. Generally, the piezometers situated in agricultural areas experience high groundwater levels due to flood-type irrigation practices, and the proximity to the River, while the piezometers positioned on top of the mesa remained dry during the monitoring period. The only significant groundwater aquifer located within the boundaries of affected lands is the alluvial aquifer in the valley.

The depth to groundwater is approximately 5.5 feet below the valley floor during the summer months. Groundwater beneath the higher portions of the proposed operation where material extraction and processing will occur is more than 200 feet below the surface of the mesa. Mining is approximately 35 feet depth below the surface of the mesa, therefore the mining will not be close to any groundwater aquifer.

4. Irrigation Water

Irrigation water is currently used on the flat land below the irrigation ditches, and will continue as the Uncompaghre Pit is mined and reclaimed. A small portion of the water needed for the mining operation will come from existing water rights attached to the land that will be mined. See the attached water rights information at the end of this exhibit. This water will be pumped from the onsite irrigation ditches during irrigation season and hauled in a water truck to the mining operation on the top of the terrace.

5. Water Consumption for the Operation

The Pit is on an elevated terrace and there is no groundwater on the terrace. This is known from existing operations on the terrace further north of this site and also the lack of springs emanating from the base of the gravel anywhere on the site. There is very little moisture in the gravel that will evaporate when the material is mined.

The water uses are dependent upon the breakdown of products forecast for the pit production and sales. This breakdown is given below:

Table G-1 Production Use

Production Use	Crush/ Screened	Washed	Raw Tonnage/ Yr	Sales Tonnage/Yr
Road Base	50,000	0	50,000	50,000
Pit Run	0	0	10,000	10,000
Asphalt	20,000	0	20,000	20,000
Concrete Mix	24,000	24,000	24,000	20,000
Total	94,000	24,000	104,000	100,000

Water will be used in a number of ways in the pit operation:

1) Control dust on the haul roads and excavation areas

Water used for dust suppression is usually 100 percent depletive with no measurable return flows to the river system. Dust from the haul roads will be controlled by paving for all areas outside the mining pit boundary. Water will be used on all in pit roads. Water will only be applied when needed at this elevation, since cold conditions on site for much of the year result in little evaporation and/or dust. It is assumed that watering of roads will require 1700 gallons water 4x per day for 100 days per year. Other days will have natural moisture on the roads or the site will be inactive since the annual production is not very high. This is equivalent to 2.09 acre feet per year.

It is also assumed that minor amounts may be needed during very dry windy conditions during the mining operation. This use is expected to be 1.2 acre feet per year. Therefore, the total consumptive use for this category is 3.29 acre feet per year.

2) Crushing and Screening Plant Operations

The crushing/screening plant uses 200 gallons per hour at a throughput rate of 225 tons per hour, but 180 tons per hour will be assumed, so this amount for 180 tons per hour is conservative.

Therefore, the total hours needed per year to produce the required tonnage is 522 hours. The crusher will be an enclosed crusher with water sprays and the screen deck will also have sprays at the entrance and on the screen deck itself. This is an amount of 0.32 acre feet per year. Although the crusher/screen plant uses considerable water, it does not run for many hours during the year to meet the annual production.

3) Wash plant operations

The wash plant will be used to remove fines from the material that will be used to make concrete. Based on a throughput rate of 1000 tons per day, the plant will use 32,000 gallons of water per day and will operate 24 days per year. This is a use of 2.36 acre feet per year. Approximately 60% of this water will be recycled from the wash pond, but 40% will be consumptive use through evaporation and infiltration. This results in a consumptive use of 0.94 acre feet.

4) Concrete batching

The concrete plant will have a throughput rate of 2000 tons per day. Based on the estimated annual concrete production, the plant will operate 10 days per year and will use approximately 4000 gallons for each operating day. Therefore, the consumptive use is 0.12 acre feet per year.

5) Asphalt plant operation

The asphalt plant will have a throughput rate of 2000 tons per day. Based on the estimated annual asphalt production, the plant will operate 10 days per year and will use approximately 4000 gallons for each operating day. Therefore, the consumptive use is 0.12 acre feet per year.

6) Potable water for drinking

Potable drinking water is estimated to be 50 gallons per month, but this water will be purchased commercially and will not be considered in the consumptive use calculations.

Table G-2 Summary of Consumptive Uses

Consumptive use	**Max Acre-feet/yr Use**	**Comments**
1. Dust Control on Roads/Pit	3.29	
2. Crushing and Screen Plant	0.32	
3. Wash Plant	0.94	
4. Concrete Plant	0.12	
5. Asphalt Plant	0.12	
6. Potable water	0.00	
Total	**4.79**	**This is a maximum consumptive use based on full operation.**

7) Water Purchases Needed for the Operation

The owner of the land parcel has rights to water in the Ouray Ditch and the Uncompahgre Valley Water Users Association, which are enclosed in this section. This water has historically been used for irrigation but it has been confirmed that it is allowed to use this water for use in the mining operation. The 115.6 shares of Uncompahgre Water and 2.5 shares of Ouray Ditch far exceed any potential consumptive use from the mine.

When the operation needs water during the winter when the ditch is not running, the operator will buy water from the Tri-County Water Company Filling Station located at the intersection of Highway 550 and Buckhorn Road approximately 5 miles south of the pit.

Bill of Sale

KNOW ALL MEN BY THESE PRESENTS, That

Dean Skalla

of the City and County of Montrose, in the State of COLORADO, of the first part, for and in consideration of TEN DOLLARS and other valuable consideration to them in hand paid at or before the ensealing or delivery of these presents by

Lazy K-Bar Land & Cattle Company, LLLP,

of the City and County of Montrose in the State of COLORADO, of the second part, the receipt whereof is hereby acknowledged, have bargained and sold, and by these presents do grant and convey unto said parties of the second part, their executors, administrators, successors or assigns, the following property, goods and chattels, to wit:

2.5.1 Fixtures. If attached to the Property on the date of this contract: lighting, heating, plumbing, ventilating, and air conditioning fixtures, TV antennas, inside telephone network and coaxial (cable) wiring and connecting blocks/jacks, plants, mirrors, floor coverings, intercom systems, built-in kitchen appliances, sprinkler systems and controls, built-in vacuum systems (including accessories), garage door openers including ___ remote controls,

Other Fixtures: 1981 Flamingo Mobile Home 14 x 70, Title # 21E480433, Serial # 14102766

If any fixtures are attached to the Property after the date of this Contract, such additional fixtures are also included in the Purchase Price.

2.5.2 Personal Property. If on the Property whether attached or not on the date of this contract: storm windows, storm doors, window and porch shades, awnings, blinds, screens, window coverings, curtain rods, drapery rods, fireplace inserts, fireplace screens, fireplace grates, heating stoves, storage sheds and all keys. If checked, the following are included: ☐ Water Softeners, ☐ Smoke/Fire Detectors, ☐ Security Systems, ☐ Satellite Systems (incl. satellite dishes).
Other Personal Property: ALL IMPROVEMENTS ARE BEING SOLD AS IS, WHERE IS WITHOUT WARRANTY, INCLUDING HOMES, OUTBUILDINGS, MOBILE HOME, CORALS, FENCING, IRRIGATION PIPE, IRRIGATION STRUCTURES, AND IRRIGATION EQUIPMENT

The Personal Property to be conveyed at Closing shall be conveyed by Seller free and clear of all taxes (except personal property taxes for the year of Closing), liens and encumbrances, except ___. Conveyance shall be by bill of sale or other applicable legal instrument.

2.5.3. Parking and Storage Facilities. ☐ Use Only ☐ Ownership of the following parking facilities: ___; and ☐ Use Only ☐ Ownership of the following storage facilities: ___.

2.5.4 Water Rights. The following legally described water rights: 115.6 SHARES OF UNCOMPAHGRE VALLEY WATER USERS ASSOCIATION AND 2.5 SHARES OF OURAY DITCH COMPANY. Any water rights shall be conveyed by ☐ Deed ☐ Other applicable legal instrument.

2.5.4.1 If any well rights are to be transferred to Buyer, Seller agrees to supply the required information about such well to Buyer. Buyer understands that if the well to be transferred is a Small Capacity Well or a Domestic Exempt Well used for ordinary household purposes, Buyer shall, prior to or at Closing complete a Change in Ownership form for the well. If an existing well has not been registered with the Colorado Division of Water Resources in the Department of Natural Resources (Division), Buyer shall complete a registration of existing well form for the well and pay the cost of registration. If no person will be providing a closing service in connection with the transaction, Buyer shall file the form with the Division within sixty days of closing. The Well Permit # is ___.

2.5.4.2 ☐ Water Stock Certificates: ___

2.5.4.3 ☐ Water Taps with Tri-City Water ☐ Sewer Tap ___

Note: Buyer is advised to obtain, from the provider, written confirmation of the amount remaining to be paid, if any, time and other restriction for transfer and use of the tap.

2.6 Exclusions. The following items are excluded: ___

located at 66967 T Road 67057 T Road, Montrose, CO 81403

TO HAVE AND TO HOLD the same unto the said parties of the second part, their executors, administrators, successors or assigns, forever. And said parties of the first part, for themselves, their heirs, executors, administrators, successors or assigns, covenant and agree to and with the parties of the second part, their executors, administrators, successors or assigns to WARRANT and DEFEND the sale of said property, goods and chattels, hereby made unto said parties of the second part, their executors, administrators, successors or assigns against all and every person or persons whomsoever.

IN WITNESS WHEREOF, the parties of the first part have hereunto set their hands and seals this 6th day of November, 2012.
Signed, Sealed and Delivered in the Presence of

SELLER:

Dean Skalla

STATE OF COLORADO)
COUNTY OF MONTROSE)ss

STOCK ASSIGNMENT

FOR VALUE RECEIVED, Dean Skalla

the undersigned, hereby sells, assigns and transfers 2.5

shares of the capital stock, either common or preferred, of the **OURAY DITCH CO.**

unto **Lazy K-Bar Land & Cattle Company, LLLP**

which stock is standing in the name of the undersigned on the books and records of the corporation represented by certificate no. cert # and does hereby irrevocably constitute and appoint said company as attorney in fact to transfer the said stock on the books of the company with full power of substitution in the premises.

November 6, 2012

SELLER

Dean Skalla

STATE OF COLORADO
COUNTY OF Montrose

[illegible] instrument was acknowledged before me this [illegible] day of November 2012 by Dean Skalla

Notary Public

Diane Gorrono
[illegible] **Notary Public**
[illegible] **State of Colorado**
My commission expires 05/29/2016

[illegible]

EXHIBIT H WILDLIFE INFORMATION

1. Description of Significant Wildlife Resources on the Affected Lands

Mule deer and elk are probably the most critical game resource in this area and the area is used as winter range by the animals. The upper terrace is primarily sagebrush vegetation with sparse herbaceous vegetation and there is considerable farming activity immediately below the terrace on both the east and west sides. There are no trees on the terrace but there are some pinyon pine and juniper trees on the slope where the access road will be constructed. Red fox, cottontail rabbit, and coyote are common small game species in the area.

2. Significant Non-Game Resources on the Affected Lands

Small animals such as rodents and small birds occur on the terrace but the sparse, arid vegetation limits productivity of the site. There are no known raptor nests on the permit area or in the vicinity. See Map I-1 for the vegetation communities.

3. Seasonal Use of Affected Lands

The permit area provides some value as winter range for deer and elk. Sagebrush (common on the site) and other uncommon shrubs including four-wing saltbush and rabbitbrush provide winter browse for big game, and pinyon-juniper woodland in the drainage that crosses the terrace provides some cover for wintering big game. The extensive irrigated areas along the Uncompahgre River provide crop and pasture forage that is often more attractive to big game in winter, and deer and elk tend to use dry valley margins such as the proposed site more for cover and movement in winter. Also, the landowner has historically used the terrace for sparse cattle grazing which has also limited the benefit to the deer and elk use.

4. Presence and Estimated Population of Threatened or Endangered species in the area.

In January 2013 the U.S. Fish and Wildlife Service (FWS) proposed to list the Gunnison sage-grouse as endangered under the U.S. Endangered Species Act, and also proposed critical habitat for the species. The Uncompahgre Pit site is within Occupied Habitat for Gunnison sage-grouse, as mapped by Colorado Parks and Wildlife (CPW), and within critical habitat for the species proposed by FWS. However, no Gunnison sage-grouse have been reported on the site, and the species is believed by CPW biologists to no longer be present in the area (see attached report). There are no active leks within at least 10 miles of the site.

Although the bald eagle has been de-listed as an endangered species, the lack of trees in the permit area has made the area undesirable and none have been seen on the property. There are also no known nests within ½ mile of the permit area.

The applicant hired Bio-Logic Inc. to evaluate the existing use and potential use of the permit area by Gunnison Sage Grouse. This report is included in Appendix 1. This report confirms that the permit area is not currently occupied by the Grouse and, for a variety of reasons, is not considered ideal habitat. Also, the local office of the Colorado Division of Parks and Wildlife has been contacted by the Applicant and has been working with the Applicant on various aspects of the mining and reclamation plan. The evaluation letter from Parks and Wildlife is also included in Appendix 1. This letter suggested different species in the revegetation seed mix, which we have incorporated into the plan. This letter also requests the mine operator to contact the US Fish and Wildlife Service for further evaluation of the sage grouse impacts. Charles Sharp of the USFW Service in Montrose was contacted regarding the potential pit impacts to the sage grouse. His e-mail is included in Appendix 1, which basically states that the listing of the Gunnison Sage Grouse as an endangered species has not yet occurred, and that they have no real jurisdiction over this private property at this time. He also appreciated the desire of the Applicant and its consultant to work with them on potential mitigation, such as seed mix items for reclamation, etc.

5. Fish Resources

None. There are no water bodies in the permit area.

6. General Effects of the Operation on the Existing Wildlife of the Area

Mining operations on the site would not cause disturbance impacts to Gunnison sage-grouse because the species is not present on or near the site and no leks are present within at least several miles. Gravel extraction and crushing activities will no doubt create some disturbance to big game and other animals near the site. This area will be used by more big game in the winter months when activities in the pit are minimal. Mining activities will also remove habitat including winter range for big game and breeding habitat for small nongame animals. These impacts will be temporary and reclamation as described in the reclamation plan will restore pre-mining habitat values. The reclaimed rangeland will provide better habitat for big game and many nongame species than the existing vegetation because a more robust and species-diverse mix of grasses and forbs will be planted. See the seed mix in the Reclamation Plan (Exhibit E). It is also required by the Reclamation Plan that the unmined portions of the pit be left as is until they are mined and it is also required that the operation conduct contemporaneous reclamation. This means that, as areas are mined out, topsoil will be placed on the area within a reasonable period of time and the area will be seeded and mulched to return it to the use of dry rangeland. It will not be grazed upon until the area is accepted by the DRMS. It is anticipated that the mining area will move around the site as a fixed disturbance area, adding new disturbance area each year and reclaiming mined out land each year. By so doing, the operation will limit the magnitude of the impact in any given year.

Another positive aspect of the mining plan is that the outside edge of the terrace will be left in place as a natural berm until the end of the mine life, when it will be removed to restore the flat terrace. The natural berm will be approximately the same height as the gravel deposit and will shield the mining and gravel processing activities from the surrounding area. Noise and visual impact will be less to all surrounding areas.

Due to the possibility for animal/vehicle collisions, hauling activities could pose a threat to wildlife. T minimize impacts, haul trucks will keep to posted speeds and drivers need to remain aware of the potential for collisions.

EXHIBIT I SOILS INFORMATION

The soil survey performed by the NRCS covers the permit area. The soil mapping is shown on Map I-1. The associated soil types descriptions are enclosed in Appendix 2.

Minimal topsoil will be stripped from the 3.67 acre office/shop area since this area has already been disturbed. The expected average topsoil thickness on the terrace to be mined is 12 inches. This includes the A and B Horizons. This topsoil will be taken to Stockpile 1 located in the southwest corner of the permit area and will be used in the reclamation. The soil is very poor quality on the terrace.

Topsoil will be used to reclaim as it is stripped, with the exception of the initial stockpile which will be used for final reclamation. As mining progresses and overburden is encountered, it too will be used immediately for reclamation. By reclaiming while mining, all soil will be salvaged and re-used as quickly as possible.

The topsoil stockpile will be seeded within a year after it is created with the same rangeland mix shown in the reclamation plan.

EXHIBIT J VEGETATION INFORMATION

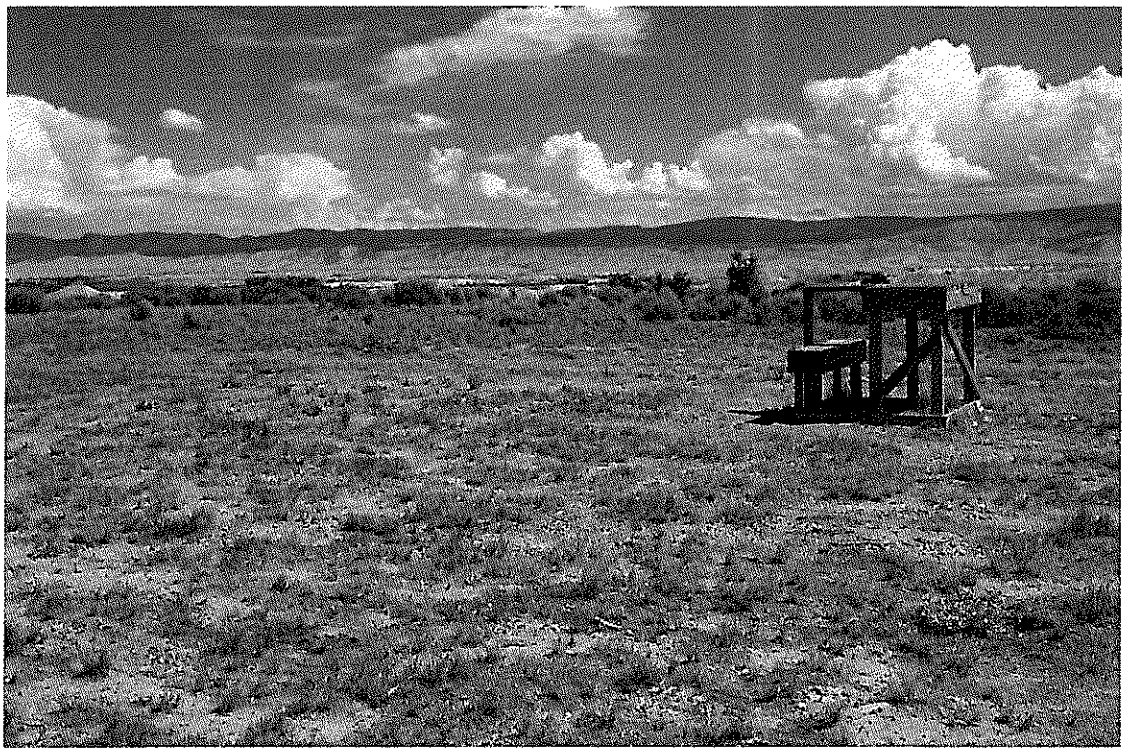
Existing Plant Communities

As previously explained and as shown on Map C-1, the pre-mine communities consist of the following areas within the permit area:

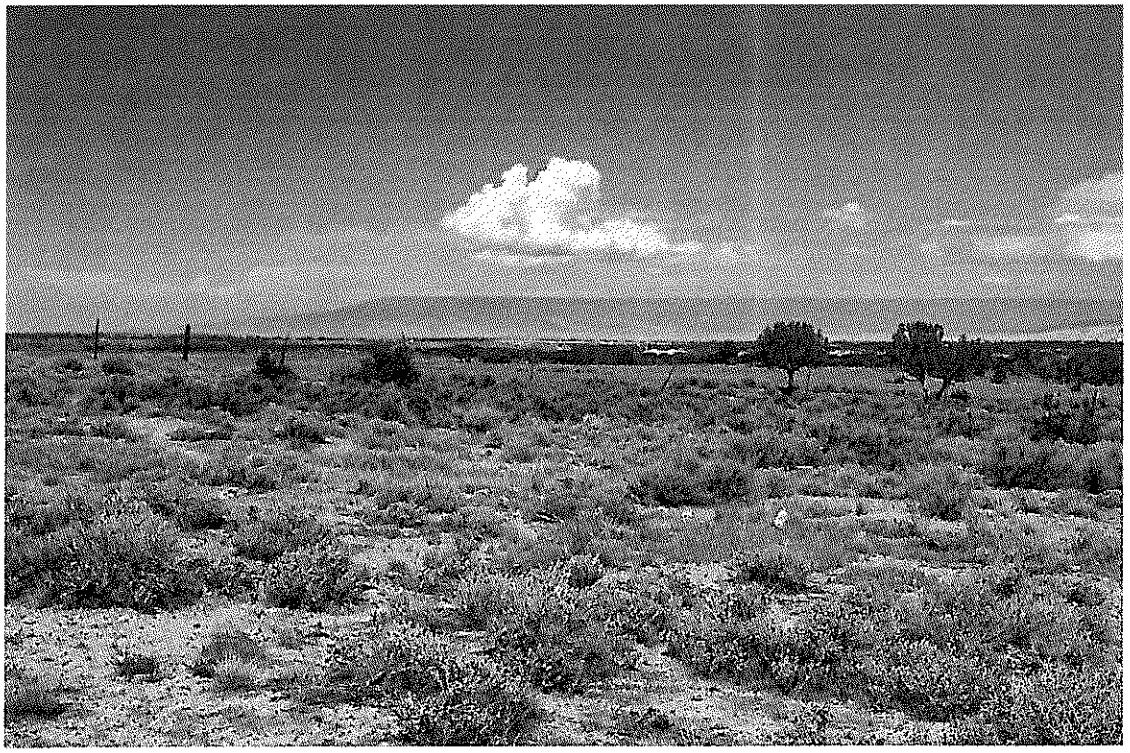
1) The vast majority of the permit area is sagebrush community that has been used for sheep and cattle grazing in the past. There are a few small stock ponds located on the terrace to be mined but these only collect runoff water. There has not been any irrigation on the terrace to the best of our knowledge. There are numerous bare patches between the sagebrush plants. The average herbaceous vegetation cover is approximately 5-7%. The canopy cover from the sagebrush is approximately 15%. Wyoming big sagebrush is the dominant shrub; a few other shrub species including four-wing saltbush, rubber rabbitbrush, and broom snakeweed are very uncommon. Prickly pear cactus is occasional. Perennial grasses include native species such as galleta grass, blue grama, and Indian ricegrass, and introduced pasture grasses including crested wheatgrass and various bluegrass species. Grasses are mostly sparse and mainly grow under the canopy of sagebrush plants. Forbs are sparse and uncommon, mainly limited to ephemeral species that are only evident in spring or early summer. A small portion of the central area has been used for a shooting range in the past, and the vegetation here has been partly cleared. Big game hunting has also taken place on the property for deer and elk.

2) The access road below the sagebrush terrace is in a sparse pinyon-juniper woodland community that has poor soil and considerable bare ground. Pinyon pines and junipers also dominate the slopes of the ephemeral drainage on the terrace, with scattered shrubs and perennial grasses.

3) The small isolated tract of land in the flat area before the entrance to the State Highway is a 1 acre piece of land that has always had a home on it with various outbuildings. There are a few trees that were planted many years ago which is typical of old homes in Montrose County. There are no vegetative communities on this tract. It will be used for an office, shop and truck scale. This tract will not be reclaimed as a vegetative community. The pictures below show the existing site.



Picture 1 - – Upper terrace in central area of proposed mining. Wooden structure is a shooting platform for target practice. This area has more grass than sagebrush.



Picture 2 – Typical of the terrace showing considerable sagebrush, some grasses and some barren areas.

Picture 3 – Existing dirt road on terrace showing thicker sagebrush area in central portion of proposed mining area.

Picture 4 – Pinon Juniper community on slope from terrace to lower valley bottom.

Picture 5 - Lower valley bottom west of pit showing Irrigation Canal after tunnel under property

Picture 6 - Pre-Mine condition of 1 acre property where old house is located on valley floor on T Road

EXHIBIT K CLIMATE INFORMATION

The following climate information is for Montrose, Colorado, which is located at an elevation of 5805 feet. The elevation of the pit is s approximately 6,390 feet above sea level. Therefore, it is likely to see slightly cooler temperatures at the Pit than that listed below for Montrose. Precipitation will be very similar but the Pit may also get slightly more precipitation.

Table K-1 Period of Record Monthly Climate Summary for MONTROSE 2, COLORADO (055722)

Period of Record : 1/ 1/1900 to 12/31/2005

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Average Max. Temperature (F)	38.0	43.9	52.9	62.4	72.3	83.1	88.6	85.7	78.0	65.7	50.3	39.3	63.3
Average Min. Temperature (F)	13.7	19.6	26.5	33.9	42.1	49.6	55.6	53.9	45.6	35.0	23.9	15.3	34.6
Average Total Precipitation (in.)	0.57	0.48	0.70	0.87	0.88	0.54	0.86	1.26	1.10	1.02	0.65	0.62	9.53
Average Total SnowFall (in.)	6.5	4.2	3.5	1.8	0.1	0.0	0.0	0.0	0.0	0.6	2.6	6.4	25.8
Average Snow Depth (in.)	1	0	0	0	0	0	0	0	0	0	0	1	0

Percent of possible observations for period of record.
Max. Temp.: 95.5% Min. Temp.: 95.5% Precipitation: 98.8% Snowfall: 92.4% Snow Depth: 42%

EXHIBIT L RECLAMATION COSTS

The worst case reclamation scenario will occur at the end of Mining Area 4. There will be the largest amount of pit floor, plant area, internal roads and inslopes to reclaim to rangeland. These areas are determined below:

Area needing topsoiling:

Plant area and stockpiles: 5.7 acres

Final slopes: 3.7 acres

Open Pit floor: 7.5 acres

Internal Roads: 4.4 acres

Total area = 21.3 acres

Area needing soil preparation, reseeding, mulching

The 21.3 acres from above + 3.96 acres of the topsoil stockpile = 24.99 acres = 25.0 acres.

The office, shop, and other minor structures in the office/shop area will remain for commercial use after the mine is closed. The access road and residential mitigation berm will remain for access to the upper terrace.

These reclamation areas will be the furthest from the topsoil stockpile located in the southwest corner of the permit area. Figure L-1 shows the assumptions used in calculating this worst case reclamation cost and the work needed to reclaim the site.

Worst case reclamation costs for this scenario are shown in Table L-1 below:

Table L-1 Reclamation Task and Cost Estimate

Activity Description	Time (Months)	Cost ($)
Remove all diesel tanks, truck scale and foundation, various surface supplies and final gravel stockpiles	2	$4,500
Knockdown the mining face from near vertical to 3H:1V slope.	0.1	$1,200
Final grading of 500' of 3H:1V sideslopes.	0.2	$2,000
Topsoil of the graded sideslopes. 3.7 acres @12 inches = 5969 cy at $1.50 per cy.	0.2	$8,954
Rip the pit floor and compacted areas. 17.6 acres @ $200 per acre	0.1	$3,520
Place topsoil on pit floor. Area is 21.3 acres @ 12 inches. 34,364 c.y. @ $1.10 per c.y.	1	$37,800
Disc topsoil areas prior to seeding @ $100 per acre x 21.3 acres	0.1	$2,130
Seed,mulch and fertalize all dry land disturbed areas. Drill seeding and crimp mulching will be employed at $850/acre x 25 acres	0.1	$21,250
Totals	**1.8**	**$81,354**
DRMS Costs (25% x direct costs)		**$17,084**
Total Bond Amount		**$98,438**

EXHIBIT M OTHER PERMITS AND LICENSES REQUIRED

The following permits are needed for the site:

1. *County Special Use Permit*
2. *NPDES combined process water/storm water discharge permit – The application was submitted July 2013 to the Water Control Division at the Colorado Department of Public Health and Environment. A Storm Water Management Plan has also been developed for the site.*
3. *APEN – A fugitive air emissions permit will be needed from the Colorado Department of Public Health and Environment since the site. The APEN is required to be submitted and has been submitted for the site in March of 2013. Initial Approval has been granted as of June 2013.*
4. *A Substitute Water Supply Plan or Augmentation Plan from the Division of Water Resources is not needed for the operation since this is not a wet pit that will leave a gravel pit lake. Also, the existing water rights for irrigation can be used for industrial purposes. See Exhibit G.*
5. *A County Road Access Permit will not be required for vehicles entering T Road.*
6. *A CDOT Access Permit will be required for access to State Highway 550 from T Road. This application process has been started.*
7. *A Spill Prevention Control and Countermeasure (SPCC) Plan is needed for the mining operation since the site tank storage exceeds 1320 gallons (there will be a 3000 gallon tank and a 10,000 gallon tank). Other tanks that will be located on site will be associated with the individual processing plants. Fuel will be brought to the site with a mobile fueling truck. No spilled material will be allowed to leave the site and all tanks will have secondary containment. In addition, the portable plants that will be on site from time to time each have their own separate SPCC Plans.*
8. *No USCOE 404 permit will be necessary because no wetlands or waters of the U.S. will be disturbed.*

EXHIBIT N SOURCE OF LEGAL RIGHT TO ENTER

The permittee for this site is Rocky Mountain Aggregate and Construction, LLC, who has a lease with the property owner, Lazy K-Bar Land and Cattle Company, LLLP. This lease is enclosed in Appendix 4.

EXHIBIT O OWNERS OF AFFECTED LAND

OWNERS OF MINED SUBSTANCE

The mined substance is sand and gravel. No other lands will be affected by the operation. The surface and mineral owner of the property is:

Surface Owner

Lazy K-Bar Land and Cattle Company, LLLP

Mineral Owner

Lazy K-Bar Land and Cattle Company, LLLP

EXHIBIT P MUNICIPALITIES WITHIN TWO MILES

The closest municipality is the City of Montrose, which is 9 miles north of the site. See Map B-1.

EXHIBIT Q PROOF OF MAILING NOTICES

Notifications and accompanying permit forms have been sent to the Shavano Soil Conservation District and the Montrose County Commissioners.

Please see attached return receipts.

Soil Conservation District receipt

Greg Lewicki And Associates, PLLC

11541 Warrington Court
Parker, CO USA 80138

Phone (303) 346-5196 Fax: (303)-346-6934
E-Mail:info@lewicki.biz

February 10, 2013

Shavano Conservation District
102 Par Place
Montrose, CO 81401

Dear District Manager:

Enclosed is a notice for a new application to the Colorado Division of Reclamation, Mining, and Safety for the 112 gravel permit for the pit named as the Uncompahgre Pit, located approximately 9 miles south of the Montrose and west of T Road. The applicant is Rocky Mountain Aggregate and Construction, LLC. The Colorado Division of Reclamation, Mining, and Safety needs evidence that you received this notice and that the application has been filed with your office. Therefore, please sign and date the box below. Thank you.

Sincerely,

Greg Lewicki

Greg Lewicki, P. E.
Greg Lewicki and Associates

The application was received on the following date: 2/11/13
by: Sharron Castro date

County Commissioners receipt

Greg Lewicki And Associates, PLLC

11541 Warrington Court
Parker, CO USA 80138

Phone (303) 346-5196 Fax: (303)-346-6934
E-Mail:info@lewicki.biz

February 10, 2013

Montrose County Commissioners
54161 South Townsend Ave.
Montrose, CO 81402

Dear Commissioners:

Enclosed is a notice for a new application to the Colorado Division of Reclamation, Mining, and Safety for the 112 gravel permit for the pit named as the Uncompahgre Pit, located approximately 9 miles south of the Montrose and west of T Road. The applicant is Rocky Mountain Aggregate and Construction, LLC. The Colorado Division of Reclamation, Mining, and Safety needs evidence that you received this notice and that the application has been filed with your office. Therefore, please sign and date the box below. Thank you.

Sincerely,

Greg Lewicki

Greg Lewicki, P. E.
Greg Lewicki and Associates

The application was received on the following date: Feb 11, 2013
by: Lynda Hawes Planning + Development

EXHIBIT R PROOF OF FILING WITH COUNTY CLERK

Please see attached return receipt.

Clerk receipt

Greg Lewicki And Associates, PLLC

11541 Warrington Court
Parker, CO USA 80138

Phone (303) 346-5196 Fax: (303)-346-6934
E-Mail:info@lewicki.biz

February 10, 2013

Francine Tipton-Long
Montrose County Clerk and Recorder
320 South First Street Room 101
Montrose, CO 81401

Dear Clerk and Recorder:

Enclosed is a notice for a new application to the Colorado Division of Reclamation, Mining, and Safety for the 112 gravel permit for the pit named as the Uncompahgre Pit, located approximately 9 miles south of the Montrose and west of T Road. The applicant is Rocky Mountain Aggregate and Construction, LLC. The Colorado Division of Reclamation, Mining, and Safety needs evidence that you received this notice and that the application has been filed with your office. Therefore, please sign and date the box below. Thank you.

Sincerely,

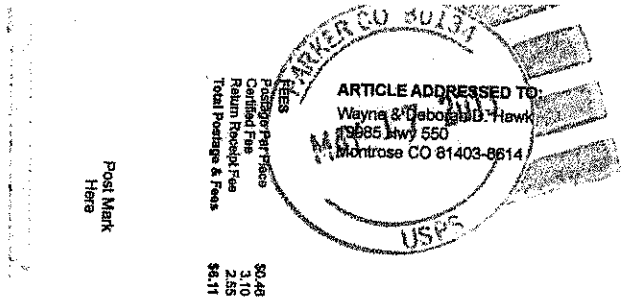
Greg Lewicki

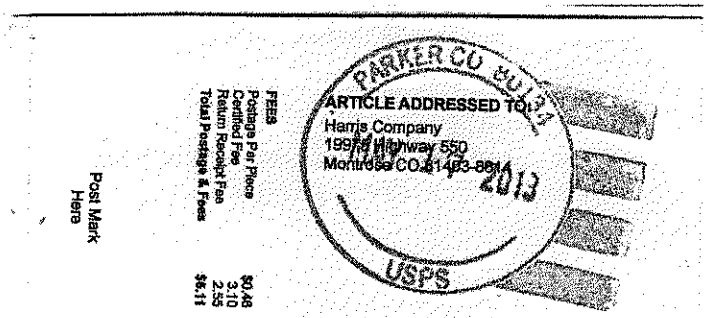
Greg Lewicki, P. E.
Greg Lewicki and Associates

The application was received on the following date: FEB 11 2013
by:

Adjacent Property Owners

All adjacent property owners and other owners within 1320 feet (1/4 mile) of the permit area are shown in Appendix 3. All landowners are shown on Map B-2 in Appendix 5.


Post Mark Here
FEES
Postage Per Piece $0.48
Certified Fee 3.10
Return Receipt Fee 2.55
Total Postage & Fees $6.11
ARTICLE ADDRESSED TO:
Wayne & Deborah D. Hawk
10585 Hwy 550
Montrose CO 81403-8614
PARKER CO 80134
MAY 17 2013
USPS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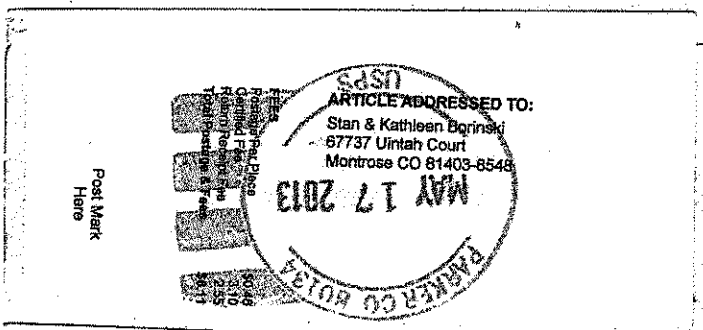
Return Receipt Fee 2.55
Total Postage & Fees $6.11
ARTICLE ADDRESSED TO:
Harris Company
19978 Highway 550
Montrose CO 81403-8614
PARKER CO 80134
MAY 17 2013
USPS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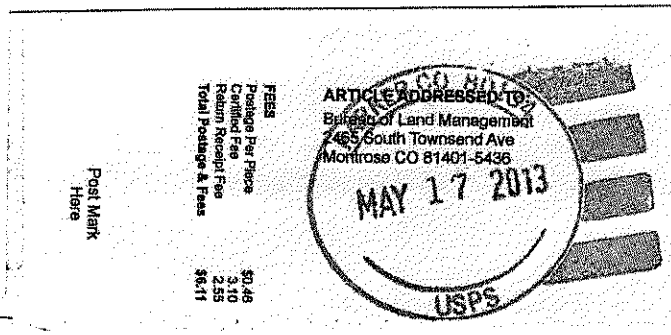
Return Receipt Fee 2.55
Total Postage & Fees $6.11
ARTICLE ADDRESSED TO:
Stan & Kathleen Borinski
67737 Uintah Court
Montrose CO 81403-8548
PARKER CO 80134
MAY 17 2013
USPS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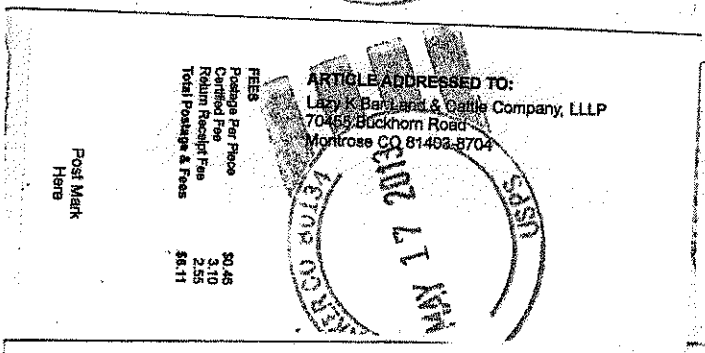
Return Receipt Fee 2.55
Total Postage & Fees $6.11
ARTICLE ADDRESSED TO:
Bureau of Land Management
2465 South Townsend Ave
Montrose CO 81401-5436
PARKER CO 80134
MAY 17 2013
USPS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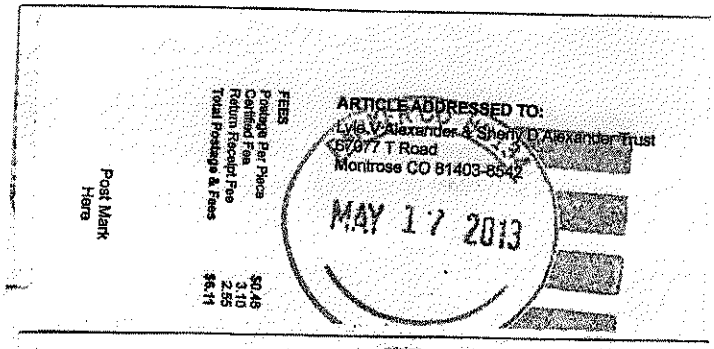
FEES
Postage Per Piece $0.48
Certified Fee 3.10
Return Receipt Fee 2.55
Total Postage & Fees $6.11
ARTICLE ADDRESSED TO:
Lazy K Bar Land & Cattle Company, LLLP
70466 Buckhorn Road
Montrose CO 81403-8704
PARKER CO 80134
MAY 17 2013
USPS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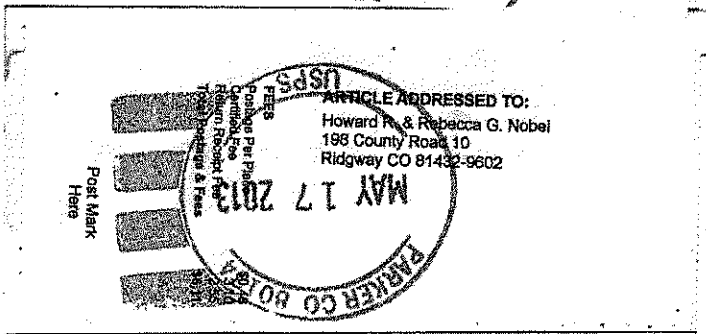
FEES
Postage Per Piece $0.48
Certified Fee 3.10
Return Receipt Fee 2.55
Total Postage & Fees $6.11
ARTICLE ADDRESSED TO:
Lyle V Alexander & Sheryl D Alexander Trust
67977 T Road
Montrose CO 81403-8542
PARKER CO 80134
MAY 17 2013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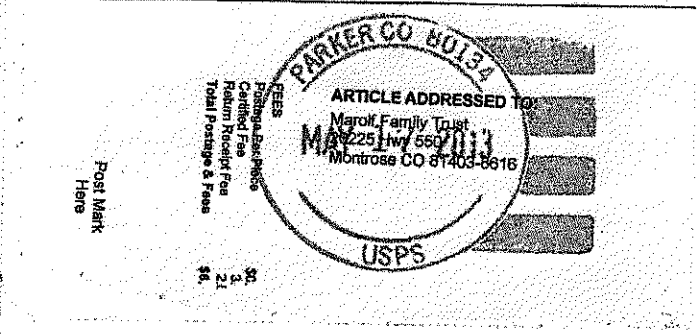
FEES
Postage Per Piece $0.48
Certified Fee 3.10
Return Receipt Fee 2.55
Total Postage & Fees $6.11
ARTICLE ADDRESSED TO:
Howard R. & Rebecca G. Nobel
198 County Road 10
Ridgway CO 81432-9602
PARKER CO 80134
MAY 17 2013
USPS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FEES
Postage Per Piece $0.48
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Return Receipt Fee 2.55
Total Postage & Fees $6.11
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Marolf Family Trust
69225 Hwy 550
Montrose CO 81403-8616
PARKER CO 80134
MAY 17 2013
USPS

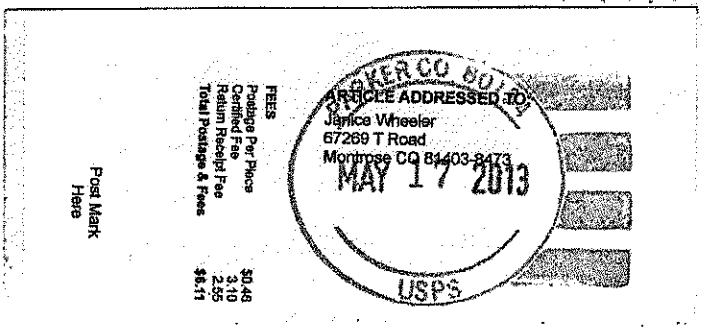
Post Mark Here
FEES
Postage Per Piece $0.48
Certified Fee 3.10
Return Receipt Fee 2.55
Total Postage & Fees $6.11
ARTICLE ADDRESSED TO:
Janice Wheeler
67269 T Road
Montrose CO 81403-8473
PARKER CO 80134
MAY 17 2013
USPS

EXHIBIT S PERMANENT MAN-MADE STRUCTURES

The man-made structures within 200 feet of the permit boundary are as listed below:

1) Various old ranch barbed wire fences on wood posts owned by Lazy K Bar and Cattle Company.

2) T Road owned by Montrose County. This structure is covered by a special maintenance agreement between Montrose County and Rocky Mountain Aggregate. This letter is attached to this section.

3) Ouray Ditch owned by Ouray Ditch Company (although the ditch through the subject property is the end of the ditch and the Ditch Company does not care what occurs on the property.

4) Montrose West Canal and T Road crossing of the canal owned by Bureau of Reclamation and operated by the Uncompahgre Valley Water Users Association.

5) Steel pipe fence with chicken wire grating owned by Dean Alexander on the property north of T Road and east of the Montrose West Canal.

6) Tri-County Water owns a 4" plastic water line that is buried in the south right of way of T Road from Highway 550 to the Alexander residence.

7) Power poles and overhead transformers located on the north side of T Road and west of the office/shop area, owned by DMEA.

8) Century Link phone line on power poles along T Road.

9) Source Gas Company owns a buried gas line along T Road.

10) Irrigation structures owned by Roger Noble.

11) Irrigation structures, fences, driveway and culvert owned Lyle Alexander.

12) Irrigation structures, fences, driveway and culvert owned Dean Alexander.

13) Irrigation structures, fences, driveway, wooden cabin and culvert owned Janice Wheeler.

Damage waiver agreements have been sent to all owners of record of any structures with 200 feet of the permit. These are enclosed in this section. The certified receipts are also enclosed. No damage waivers have yet been signed by the receiving party, therefore, the engineering demonstration is provided in Exhibit U, to show that the structures will not be damaged. In the unlikely case of any damage to an owner's structure, Rocky Mountain Aggregate commits to either replacing or repairing the structure, as long as it is evident that the damage was caused by the operator or a vehicle related to the operation.

ROCKY MOUNTAIN

AGGREGATE & CONSTRUCTION LLC

Sent to County attorney for review 7-17-13 Kathy Reo

July 16, 2013

Montrose County
161 South Townsend Avenue
Montrose, CO 81401

RE: Uncompahgre Gravel Pit – State of Colorado Damage Waiver

Dear Montrose County – Dean Cooper,

Enclosed is a structure agreement that is required by the State of Colorado Division of Reclamation, Mining and Safety. We need to submit a copy of receipt of this agreement to the State of Colorado Division of Reclamation, Mining and Safety for the permit file.

Sincerely,

Zane Luttrell
Manager
Rocky Mountain Aggregate & Construction

This structure agreement was received on the following date:_____

By:_____

23625 Uncompahgre Rd. Montrose, CO 81401 ~ Cell: (970) 209-8340 ~ EMAIL: RCA@MONTROSE.NET

Montrose County Engineer letter

Damage waiver send outs and agreements

ROCKY MOUNTAIN

AGGREGATE & CONSTRUCTION LLC

Tri-County Water
647 North 7th Street
Montrose, CO 81401

RE: Uncompahgre Gravel Pit Damage Waiver

To Whom It May Concern,

Please find the attached structure agreement that is required by the State of Colorado Division of Reclamation, Mining and Safety to be sent to any landowner who has man-made structures within 200 feet of the permit boundary. The purpose of the agreement is to ensure that we, the permittee of the mine, will fix or replace any structures on your property that are within 200 feet of the permit area that we could damage. This is an extremely remote possibility, but nevertheless, it is required that we send this agreement to you. We have listed any man-made structures that fall within this area on the agreement in order to insure that damages that are proven to be caused by our operations will fall under the guidelines of the attached agreement. If you have any questions regarding this form, please call me and I can provide further explanation of this requirement by the State of Colorado Division of Mining, Reclamation and Safety.

Thank You,

Zane Luttrell
Owner
Rocky Mountain Aggregate & Construction

Attachment:
Structure agreement for DRMS

[illegible] EMAIL: RCA@MONTROSE.NET

An example Structure Agreement which meets the requirements of the Statutes is shown below.
****

Structure Agreement

This letter has been provided to you as the owner of a structure on or within two hundred (200) feet of a proposed mine site. The State of Colorado, Division of Reclamation, Mining and Safety ("Division") requires that where a mining operation will adversely affect the stability of any significant, valuable and permanent man-made structure located within two hundred (200) feet of the affected land, the Applicant shall either:

a) Provide a notarized agreement between the Applicant and the Person(s) having an interest in the structure, that the Applicant is to provide compensation for any damage to the structure; or

b) Where such an agreement cannot be reached, the Applicant shall provide an appropriate engineering evaluation that demonstrates that such structure shall not be damaged by activities occurring at the mining operation; or

c) Where such structure is a utility, the Applicant may supply a notarized letter, on utility letterhead, from the owner(s) of the utility that the mining and reclamation activities, as proposed, will have "no negative effect" on their utility. (*Construction Materials Rule 6.3.12 and Rule 6.4.19 & Hard Rock/Metal Mining Rule 6.3.12 and Rule 6.4.20)*

The Colorado Mined Land Reclamation Board ("Board") has determined that this form, if properly executed, represents an agreement that complies with Construction Materials Rule 6.3.12(a), Rule 6.4.19(a), and C.R.S. § 34-32.5-115(4)(e) and with Hard Rock/Metal Mining Rule 6.3.12(a), Rule 6.4.20(a), and C.R.S. § 34-32-115(4)(d). This form is for the sole purpose of ensuring compliance with the Rules and Regulations and shall not make the Board or Division a necessary party to any private civil lawsuit to enforce the terms of the agreement or create any enforcement obligations in the Board or the Division.

The following structures are located on or within 200 feet of the proposed affected area:

1. UNDERGROUND WATER LINE
2. METER PIT
3. SERVICES
4. _____
5. _____

(Please list additional structures on a separate page)

CERTIFICATION

The Applicant, Rocky Mountain Aggregate and Construction, LLC (print applicant/company name), by Zane Luttrell (print representative's name), as Manager (print representative's title), does hereby certify that Tri-County Water (structure owner) shall be compensated for any damage from the proposed mining operation to the above listed structure(s) located on or within 200 feet of the proposed affected area described within Exhibit A, of the Reclamation Permit Application for Uncompahgre Pit (operation name), File Number M-2013--007.

This form has been approved by the Colorado Mined Land Reclamation Board pursuant to its authority under the Colorado Land Reclamation Act for the Extraction of Construction Materials and the Colorado Mined Land Reclamation Act for Hard Rock, Metal, and Designated Mining Operations. Any alteration or modification to this form shall result in voiding this form.

NOTARY FOR PERMIT APPLICANT

ACKNOWLEGED BY:

Applicant Rocky Mountain Aggregate & Construction LLC Representative Name ZANE LUTTRELL

Date 6/25/2013 Title MANAGER

STATE OF COLORADO)
) ss.
COUNTY OF MONTROSE)

The foregoing was acknowledged before me this 25 day of JUNE, 2013, by ZANE LUTTRELL as MANAGER of ROCKY MOUNTAIN AGGREGATE & CONSTRUCTION LLC

Notary Public My Commission Expires: 1/4/2016

NOTARY PUBLIC DANEAN A. CHEZEM STATE OF COLORADO

NOTARY FOR STRUCTURE OWNER

ACKNOWLEGED BY:

Structure Owner _____ Name _____

Date _____ Title _____

STATE OF _____)
) ss.
COUNTY OF_____)

The foregoing was acknowledged before me this____ day of _____, 20___, by _____ as _____ of _____.

_____ My Commission Expires:_____
Notary Public

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Tri County Water
6917 N 7th St
Montrose Co 81401

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X A McClarren ☐ Agent ☐ Addressee

B. Received by (Printed Name) A McClarren C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

MONTROSE CO
USPS

3. Service Type
☑ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7012 2210 0000 7784 2926

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

ROCKY MOUNTAIN

AGGREGATE & CONSTRUCTION LLC

July 16, 2013

Century Link
602 North 1st Street
Montrose, CO 81401

RE: Uncompahgre Gravel Pit – State of Colorado Damage Waiver

Dear Century Link,

Enclosed is a structure agreement that is required by the State of Colorado Division of Reclamation, Mining and Safety. We need to submit a copy of receipt of this agreement to the State of Colorado Division of Reclamation, Mining and Safety for the permit file.

Sincerely,

Zane Luttrell
Manager
Rocky Mountain Aggregate & Construction

This structure agreement was received on the following date: 7/16/2013

By: [signature] City Mgr. Location

23625 UNCOMPAHGRE RD. MONTROSE, CO 81401 CELL (970) 209-8340 EMAIL: BCA@MONTROSE.NET

An example Structure Agreement which meets the requirements of the Statutes is shown below.
****

Structure Agreement

This letter has been provided to you as the owner of a structure on or within two hundred (200) feet of a proposed mine site. The State of Colorado, Division of Reclamation, Mining and Safety ("Division") requires that where a mining operation will adversely affect the stability of any significant, valuable and permanent man-made structure located within two hundred (200) feet of the affected land, the Applicant shall either:

a) Provide a notarized agreement between the Applicant and the Person(s) having an interest in the structure, that the Applicant is to provide compensation for any damage to the structure; or

b) Where such an agreement cannot be reached, the Applicant shall provide an appropriate engineering evaluation that demonstrates that such structure shall not be damaged by activities occurring at the mining operation; or

c) Where such structure is a utility, the Applicant may supply a notarized letter, on utility letterhead, from the owner(s) of the utility that the mining and reclamation activities, as proposed, will have "no negative effect" on their utility. (*Construction Materials Rule 6.3.12 and Rule 6.4.19 & Hard Rock/Metal Mining Rule 6.3.12 and Rule 6.4.20)*

The Colorado Mined Land Reclamation Board ("Board") has determined that this form, if properly executed, represents an agreement that complies with Construction Materials Rule 6.3.12(a), Rule 6.4.19(a), and C.R.S. § 34-32.5-115(4)(e) and with Hard Rock/Metal Mining Rule 6.3.12(a), Rule 6.4.20(a), and C.R.S. § 34-32-115(4)(d). This form is for the sole purpose of ensuring compliance with the Rules and Regulations and shall not make the Board or Division a necessary party to any private civil lawsuit to enforce the terms of the agreement or create any enforcement obligations in the Board or the Division.

The following structures are located on or within 200 feet of the proposed affected area:

1. Buried Phone Lines
2. Services
3. _____
4. _____
5. _____

(Please list additional structures on a separate page)

CERTIFICATION

The Applicant, Rocky Mountain Aggregate and Construction, LLC (print applicant/company name), by Zane Luttrell (print representative's name), as Manager (print representative's title), does hereby certify that CenturyLink (structure owner) shall be compensated for any damage from the proposed mining operation to the above listed structure(s) located on or within 200 feet of the proposed affected area described within Exhibit A, of the Reclamation Permit Application for Uncompahgre Pit (operation name), File Number M-2013-007.

This form has been approved by the Colorado Mined Land Reclamation Board pursuant to its authority under the Colorado Land Reclamation Act for the Extraction of Construction Materials and the Colorado Mined Land Reclamation Act for Hard Rock, Metal, and Designated Mining Operations. Any alteration or modification to this form shall result in voiding this form.

NOTARY FOR PERMIT APPLICANT

ACKNOWLEGED BY:

Applicant Rocky Mountain Aggregate & Construction LLC Representative Name ZANE LUTTRELL

Date 6/25/2013 Title MANAGER

STATE OF COLORADO)
) ss.
COUNTY OF MONTROSE)

The foregoing was acknowledged before me this 25 day of JUNE, 2013, by ZANE LUTTRELL as MANAGER of ROCKY MOUNTAIN AGGREGATE & CONSTRUCTION LLC

Notary Public

NOTARY PUBLIC
DANEAN A. CHEZEM
STATE OF COLORADO

My Commission Expires: 1/4/2016

NOTARY FOR STRUCTURE OWNER

ACKNOWLEGED BY:

Structure Owner _____ Name _____

Date _____ Title _____

STATE OF _____)
) ss.
COUNTY OF_____)

The foregoing was acknowledged before me this____ day of _____, 20___, by _____ as _____ of _____.

_____ My Commission Expires:_____
Notary Public

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Century link
500 N. 2nd St
Monticello Co
81401

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X ☐ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Transfer from service label) 7012 2210 0000 7784 2933

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

ROCKY MOUNTAIN

AGGREGATE & CONSTRUCTION LLC

Lazy K Bar Land & Cattle Company
70455 Buckhorn Road
Montrose, CO 81403

RE: Uncompahgre Gravel Pit Damage Waiver

Jay,

Please find the attached structure agreement that is required by the State of Colorado Division of Reclamation, Mining and Safety to be sent to any landowner who has man-made structures within 200 feet of the permit boundary. The purpose of the agreement is to ensure that we, the permittee of the mine, will fix or replace any structures on your property that are within 200 feet of the permit area that we could damage. This is an extremely remote possibility, but nevertheless, it is required that we send this agreement to you. We have listed any man-made structures that fall within this area on the agreement in order to insure that damages that are proven to be caused by our operations will fall under the guidelines of the attached agreement. If you have any questions regarding this form, please call me and I can provide further explanation of this requirement by the State of Colorado Division of Mining, Reclamation and Safety.

Thank You,

Zane Luttrell
Owner
Rocky Mountain Aggregate & Construction

Attachment:
Structure agreement for DRMS

23625 UNCOMPAHGRE RD., MONTROSE, CO 81401 ◇ CELL: (970) 209-8340 ◇ EMAIL: RCA@MONTROSE.NET

An example Structure Agreement which meets the requirements of the Statutes is shown below.

****

Structure Agreement

This letter has been provided to you as the owner of a structure on or within two hundred (200) feet of a proposed mine site. The State of Colorado, Division of Reclamation, Mining and Safety ("Division") requires that where a mining operation will adversely affect the stability of any significant, valuable and permanent man-made structure located within two hundred (200) feet of the affected land, the Applicant shall either:

a) Provide a notarized agreement between the Applicant and the Person(s) having an interest in the structure, that the Applicant is to provide compensation for any damage to the structure; or

b) Where such an agreement cannot be reached, the Applicant shall provide an appropriate engineering evaluation that demonstrates that such structure shall not be damaged by activities occurring at the mining operation; or

c) Where such structure is a utility, the Applicant may supply a notarized letter, on utility letterhead, from the owner(s) of the utility that the mining and reclamation activities, as proposed, will have "no negative effect" on their utility. (*Construction Materials Rule 6.3.12 and Rule 6.4.19 & Hard Rock/Metal Mining Rule 6.3.12 and Rule 6.4.20)*

The Colorado Mined Land Reclamation Board ("Board") has determined that this form, if properly executed, represents an agreement that complies with Construction Materials Rule 6.3.12(a), Rule 6.4.19(a), and C.R.S. § 34-32.5-115(4)(e) and with Hard Rock/Metal Mining Rule 6.3.12(a), Rule 6.4.20(a), and C.R.S. § 34-32-115(4)(d). This form is for the sole purpose of ensuring compliance with the Rules and Regulations and shall not make the Board or Division a necessary party to any private civil lawsuit to enforce the terms of the agreement or create any enforcement obligations in the Board or the Division.

The following structures are located on or within 200 feet of the proposed affected area:

1. IRRIGATION STRUCTURES
2. FENCES
3. _____
4. _____
5. _____

(Please list additional structures on a separate page)

CERTIFICATION

The Applicant, Rocky Mountain Aggregate and Construction, LLC (print applicant/company name), by Zane Luttrell (print representative's name), as Manager (print representative's title), does hereby certify that Lazy K Bar Land & Cattle CO (structure owner) shall be compensated for any damage from the proposed mining operation to the above listed structure(s) located on or within 200 feet of the proposed affected area described within Exhibit A, of the Reclamation Permit Application for Uncompahgre Pit (operation name), File Number M-2013--007

This form has been approved by the Colorado Mined Land Reclamation Board pursuant to its authority under the Colorado Land Reclamation Act for the Extraction of Construction Materials and the Colorado Mined Land Reclamation Act for Hard Rock, Metal, and Designated Mining Operations. Any alteration or modification to this form shall result in voiding this form.

NOTARY FOR PERMIT APPLICANT

ACKNOWLEGED BY:

Applicant Rocky Mountain Aggregate & Construction LLC Representative Name ZANE LUTTRELL

Date 6/25/2013 Title MANAGER

STATE OF COLORADO)
) ss.
COUNTY OF MONTROSE

The foregoing was acknowledged before me this 25 day of JUNE, 2013, by ZANE LUTTRELL as MANAGER of ROCKY MOUNTAIN AGGREGATE & CONSTRUCTION LLC

Notary Public My Commission Expires: 1/4/2016

NOTARY PUBLIC DANEAN A. CHEZEM STATE OF COLORADO

NOTARY FOR STRUCTURE OWNER

ACKNOWLEGED BY:

Structure Owner Lazy K Barland & Cattle Name Jay W Julten

Date 7/17/13 Title President

STATE OF COLORADO)
) ss.
COUNTY OF MONTROSE)

The foregoing was acknowledged before me this 17 day of JULY, 2013, by JAY W. JULTEN as PRESIDENT of LAZY K BAR LAND & CATTLE

Danean Chezem
Notary Public

My Commission Expires: 1/4/2016

NOTARY PUBLIC
DANEAN A. CHEZEM
STATE OF COLORADO

ROCKY MOUNTAIN

AGGREGATE & CONSTRUCTION LLC

Ouray Ditch Company

20965 Highway 550

Montrose, CO 81403

RE: Uncompahgre Gravel Pit Damage Waiver

To Whom It May Concern,

Please find the attached structure agreement that is required by the State of Colorado Division of Reclamation, Mining and Safety to be sent to any landowner who has man-made structures within 200 feet of the permit boundary. The purpose of the agreement is to ensure that we, the permittee of the mine, will fix or replace any structures on your property that are within 200 feet of the permit area that we could damage. This is an extremely remote possibility, but nevertheless, it is required that we send this agreement to you. We have listed any man-made structures that fall within this area on the agreement in order to insure that damages that are proven to be caused by our operations will fall under the guidelines of the attached agreement. If you have any questions regarding this form, please call me and I can provide further explanation of this requirement by the State of Colorado Division of Mining, Reclamation and Safety.

Thank You,

Zane Luttrell
Owner
Rocky Mountain Aggregate & Construction

Attachment:
Structure agreement for DRMS

23625 UNCOMPAHGRE RD., MONTROSE, CO 81401 ~ CELL: (970) 209-8340 ~ EMAIL: RCA@MONTROSE.NET

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Structure Agreement

This letter has been provided to you as the owner of a structure on or within two hundred (200) feet of a proposed mine site. The State of Colorado, Division of Reclamation, Mining and Safety ("Division") requires that where a mining operation will adversely affect the stability of any significant, valuable and permanent man-made structure located within two hundred (200) feet of the affected land, the Applicant shall either:

a) Provide a notarized agreement between the Applicant and the Person(s) having an interest in the structure, that the Applicant is to provide compensation for any damage to the structure; or

b) Where such an agreement cannot be reached, the Applicant shall provide an appropriate engineering evaluation that demonstrates that such structure shall not be damaged by activities occurring at the mining operation: or

c) Where such structure is a utility, the Applicant may supply a notarized letter, on utility letterhead, from the owner(s) of the utility that the mining and reclamation activities, as proposed, will have "no negative effect" on their utility. (*Construction Materials Rule 6.3.12 and Rule 6.4.19 & Hard Rock/Metal Mining Rule 6.3.12 and Rule 6.4.20)*

The Colorado Mined Land Reclamation Board ("Board") has determined that this form, if properly executed, represents an agreement that complies with Construction Materials Rule 6.3.12(a), Rule 6.4.19(a), and C.R.S. § 34-32.5-115(4)(e) and with Hard Rock/Metal Mining Rule 6.3.12(a), Rule 6.4.20(a), and C.R.S. § 34-32-115(4)(d). This form is for the sole purpose of ensuring compliance with the Rules and Regulations and shall not make the Board or Division a necessary party to any private civil lawsuit to enforce the terms of the agreement or create any enforcement obligations in the Board or the Division.

The following structures are located on or within 200 feet of the proposed affected area:

1. Ovray Ditch
2. Irrigation Structures
3. _____
4. _____
5. _____

(Please list additional structures on a separate page)

CERTIFICATION

The Applicant, Rocky Mountain Aggregate and Construction, LLC (print applicant/company name), by Zane Luttrell (print representative's name), as Manager (print representative's title), does hereby certify that Ouray Ditch Co (structure owner) shall be compensated for any damage from the proposed mining operation to the above listed structure(s) located on or within 200 feet of the proposed affected area described within Exhibit A, of the Reclamation Permit Application for Uncompahgre Pit (operation name), File Number M-2013--007

This form has been approved by the Colorado Mined Land Reclamation Board pursuant to its authority under the Colorado Land Reclamation Act for the Extraction of Construction Materials and the Colorado Mined Land Reclamation Act for Hard Rock, Metal, and Designated Mining Operations. Any alteration or modification to this form shall result in voiding this form.

NOTARY FOR PERMIT APPLICANT

ACKNOWLEGED BY:

Applicant Rocky Mountain Aggregate & Construction LLC Representative Name Zane Luttrell

Date 6/25/2013 Title Manager

STATE OF COLORADO)
) ss.
COUNTY OF MONTROSE)

The foregoing was acknowledged before me this 25 day of JUNE, 2013, by ZANE LUTTRELL as MANAGER of ROCKY MOUNTAIN AGGREGATE & CONSTRUCTION LLC

Notary Public My Commission Expires: 1/4/2016

NOTARY PUBLIC
DANEAN A. CHEZEM
STATE OF COLORADO

NOTARY FOR STRUCTURE OWNER

ACKNOWLEGED BY:

Structure Owner Ouray Ditch Co Name Doug Flowers

Date 7-17-13 Title President

STATE OF COLORADO)
) ss.
COUNTY OF MONTROSE)

The foregoing was acknowledged before me this 17 day of July, 2013, by DOUG FLOWERS as PRESIDENT of OURAY DITCH CO.

Danean Chezem
Notary Public

My Commission Expires: 1/4/2016

NOTARY PUBLIC
DANEAN A. CHEZEM
STATE OF COLORADO

EXHIBIT T RULE 1.6.2(1)(B)

Prior to the submittal of the application, a sign was erected at the entrance to the site which contained all the required information regarding Rule 1.6.2(1)(b).

Please see enclosed sign certification.

Sign certification page

NOTICE

THIS SITE IS THE LOCATION OF A PROPOSED CONSTRUCTION MATERIALS OPERATION. ROCKY MOUNTAIN AGGREGATE AND CONSTRUCTION, LLC, WHOSE ADDRESS IS 23625 UNCOMPAHGRE RD, MONTROSE, CO 81401 AND PHONE NUMBER IS 970-249-8780, HAS APPLIED FOR A RECLAMATION PERMIT WITH THE COLORADO MINED LAND RECLAMTION BOARD FOR AN OPERATION CALLED THE UNCOMPAHGRE PIT. ANYONE WISHING TO COMMENT ON THE APPLICATION MAY VIEW THE APPLICATION AT THE MESA COUNTY CLERK AND RECORDER'S OFFICE AT 320 SOUTH FIRST STREET, ROOM 101, MONTROSE, CO 81401, AND SHOULD SEND COMMENTS PRIOR TO THE END OF THE PUBLIC COMMENT PERIOD TO THE DIVISION OF RECLAMATION, MINING, AND SAFETY, 1313 SHERMAN STREET, ROOM 215, DENVER, CO 80203.

CERTIFICATION

I, ZANE LUTTRELL, hereby certify that I posted the above notice for the proposed permit known as the Uncompahgre Pit on 2/11/13 (date)

Signature

2/11/2013
Date

EXHIBIT U GEOTECHNICAL STABILITY EXHIBIT

Damage waiver agreements were sent to all owners structures within 200 feet of the permit boundary. Evidence of this is in Exhibit S. These agreements have not yet been returned; therefore the engineering demonstration of the mine not affecting these structures is enclosed in this section. Based on this, no structures should be damaged. Rocky Mountain Aggregates still commits to repairing any structure outside the permit area in the case that a structure is damaged as the result of mine-related activities for this permit.

The possibility of damage for the engineering demonstration is divided into 2 areas, which are discussed below:

1) The mine access road to the pit

The access road will utilize T Road for the eastern portion until immediately west of the office/shop area, when the road will turn south and then west, approximately 100 feet south of T Road, in order to provide nuisance mitigation to the Alexanders' and Janice Wheeler, who live immediately north of T Road. Map C-2 shows the mine access road in relation to the houses. These residences have fences, driveways, culverts and other items which are within 200 feet of the permit boundary. The access road on the subject property will be paved and will be 24 feet in width. From the northern edge of the access road to the southern edge of T Road is a length of 100 feet, which is primarily the irrigated field of the subject property. It is 120 feet from the northern edge of the access road to the southern fence of the residences and much further to the residences themselves. Although it is not impossible, it is extremely unlikely that a truck or other vehicle related to the mine will cross this large distance and damage the structures on the properties. No engineering demonstration can guarantee that this will not happen but the road cannot be used at night for material haulage according to the Montrose County permit, thus limiting the night risk. Also, large signs will be placed on T Road so that all mine traffic will know to turn south onto the mine access road.

A permanent berm of 6 feet height, with slight undulations immediately north of the access road to protect the residences from noise, dust and visual impact from the truck traffic on the road. The berm will be topsoiled with at least 8-12 inches of topsoil and seeded and mulched using the dryland range mix described in this reclamation plan. The berm will be 2,240 feet in length and provide a substantial protective barrier for the structures located to the north of the new access road. The berm will have approximate slopes of 3.0H:1.0V. The berm satisfies MSHA safety berm requirements: 30 CFR 56.9300. For this MSHA requirement, berms shall be at least mid-axle height of the largest self-propelled mobile equipment which usually travels the roadway. The visual berm will not be located on banks of roadways where a drop-off exists. The berm will also not require openings for roadway drainage since the road is relatively flat and drainage will flow to the east on both sides of the berm as it does currently in the irrigated field.

Concerning the Ouray Ditch and Montrose West Canal, the structures shall not be damaged by proposed construction materials excavation operations. The mining operation will not adversely affect the stability of the ditches. First, the subject property is the last property served by the Ouray Ditch and the Ditch Company does not care what happens here since their responsibility ends at the entrance to the subject property. The Ditch has also not been used for years and the owner does not have plans to use it. Regardless, the Ouray Ditch will only be crossed with a culvert from the access road that has been designed for its maximum flow. The disturbances to both ditches will be limited to road crossings. The stability and function of neither ditch will not be impacted.

The crossing of the Montrose West Canal will have a new bridge designed and approved by Montrose County. This design has not yet been approved by the Engineering Department in the County but the designs presented in the Appendix form the basis of the design. The bridge will be wider and stronger than the current T Road crossing of the Montrose West Canal and will be designed to handle the maximum load of any truck used on the property with an additional safety factor. This crossing is subject to the overall agreement with Montrose County.

2) The mine area

There are no buildings or any structures outside the permit area which could be affected by the excavation. A minimum twenty foot buffer will be maintained from the permit boundary line to all excavations. There will be no excavation within 30 feet of the property line. All reclaimed areas will be restored to relatively flat (<3.5%) slopes since the terrace will simply be lowered. The initial incision of the pit into the natural berm will be done at an angle of 3H:1V, which is more than stable for any in-situ gravel deposit.

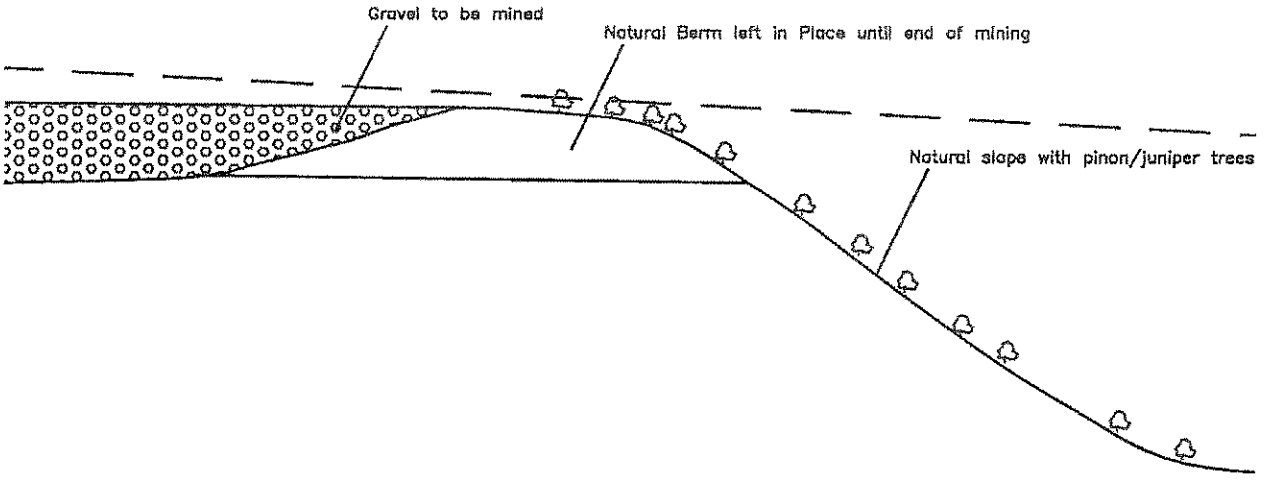


Figure U-1, from Huang, shows typical internal angles of friction for various materials. Assuming that the gravel is classified as GC (clayey gravels, poorly graded gravel-sand-clay), this material has an internal angle of friction of approximately 34 degrees.

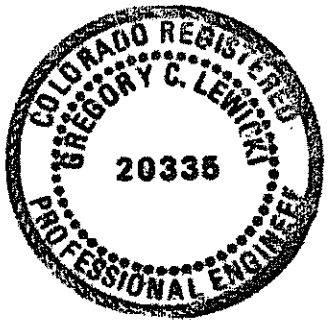
The Factor of Safety (FOS) for gravel with a 3H:1V slope, which is 18.26 degrees in GC classified material with an assumed internal angle of friction of 34 degrees can be approximated by ignoring the cohesion component of the stability, and simply evaluating the internal angle of friction as follows:

$$FOS = \frac{\text{Tangent of Internal Angle of Friction}}{\text{Tangent of Actual Angle of Failure Surface}}$$

$$FOS = \frac{\text{Tan } 34^\circ}{\text{Tan } 18.3^\circ} = \frac{.6745}{.333} = 2.04$$

This factor of safety far exceeds the normal long term safety factor of 1.3, therefore the plan of extraction as presented is acceptable.

I, Greg Lewicki, P.E., with over 28 years of experience in mine slope safety analysis in Colorado, certify that the mine plan and reclamation plan presented in this application will lead to stable slopes during and after mining and that there is no realistic threat of failure or to the stability of any structures outside of the permit area.



Greg Lewicki

Greg Lewicki, P.E.

P.E.# 20335

Date: July 17, 2013

Table 3.1 Average Effective Shear Strength of Compacted Soils.

UNIFIED CLASSIFICATION	SOIL TYPE	PROCTOR COMPACTION		AS COMPACTED	SATURATED	FRICTION
		MAXIMUM DRY DENSITY pcf	OPTIMUM MOISTURE CONTENT %	COHESION c_o tsf	COHESION c_{sat} tsf	ANGLE ϕ deg
GW	well graded clean gravels, gravel-sand mixture	>119	<13.3	*	*	>38
GP	poorly graded clean gravels, gravel sand mixture	>110	<12.4	*	*	>37
GM	silty gravels, poorly graded gravel-sand-silt	>114	<14.5	*	*	>34
GC	clayey gravels, poorly graded gravel-sand-clay	>115	<14.7	*	*	>31
SW	well graded clean sands, gravelly sands	119±5	13.3±2.5	0.41±0.04	*	38±1
SP	poorly graded clean sands, sand-gravel mixture	110±2	12.4±1.0	0.24±0.06	*	37±1
SM	silty sands, poorly graded sand-silt mixture	114±1	14.5±0.4	0.53±0.06	0.21±0.07	34±1
SM-SC	sand-silt-clay with slightly plastic fines	119±1	12.8±0.5	0.21±0.07	0.15±0.06	33±3
SC	clayey sands, poorly graded sand-clay mixture	115±1	14.7±0.4	0.78±0.16	0.12±0.06	31±3
ML	inorganic silts and clayed silts	103±1	19.2±0.7	0.70±0.10	0.09±*	32±2
ML-CL	mixtures of inorganic silts and clays	109±2	16.8±0.7	0.66±0.18	0.23±*	32±2
CL	inorganic clays of low to medium plasticity	108±1	17.3±3	0.91±0.11	0.14±0.02	28±2
OL	organic silts and silty clays of low plasticity	*	*	*	*	*
MH	inorganic clayey silts, elastic silts	82±4	36.3±3.2	0.76±0.31	0.21±0.09	25±3
CH	inorganic clays of high plasticity	94±2	25.5±1.2	1.07±0.35	0.12±0.06	19±5
OH	organic clays and silty clays	*	*	*	*	*

*denotes insufficient data, > is greater than, < is less than
(After Bureau of Reclamation, 1973; 1 pcf=157.1 N/m³, 1 tsf=95.8 kPa)

Figure U-1 (from Huang)

APPENDICES

Appendix 1 - Sage Grouse Investigation Work

Appendix 2 - Soils Information

Appendix 3 - Nearby Landowner List

Appendix 4 - Lease for Right of Entry

Appendix 5 - Maps

Appendix 6 - Access Road Crossing Design over Montrose Canal

Uncompahgre Pit

Appendix 6

Access Road Crossing Design over Montrose Canal

An engineer-approved road crossing design has not been obtained at this time. The existing bridge was found to be inadequate for the proposed truck traffic. Several alternatives were proposed by a professional structural engineer.

The plans for the proposed bridge at the Montrose West Canal will be prepared and certified by a Colorado licensed professional engineer, experienced in road and bridge design. The certified engineering plans will be submitted for review and approval to Montrose County. The certified engineering plans will also be submitted to the Colorado Division of Reclamation, Mining and Safety (Division) for review and approval through the Technical Revision or Amendment process. Construction of the proposed bridge will not commence until the Division has approved the bridge designs and the Division has received and approved any increase in the financial warranty resulting from the revision process. Within 60 days of completion of the bridge construction the Operator shall submit to the Division as built certifications of the completed construction project.

Appendix 7 Access Road Hydrology

The Montrose Daily Press

Montrose, Colorado 81401

AFFIDAVIT OF PUBLICATION

STATE OF COLORADO)
COUNTY OF MONTROSE) SS.

I, Terri Trujillo, do solemnly swear that the MONTROSE DAILY PRESS is a daily newspaper printed, in whole or in part, and published in the City of Montrose, County of Montrose, State of Colorado, and which has general circulation therein; that said newspaper has been continuously and uninterruptedly published for a period of more than six months next prior to the first publication of the annexed legal notice of advertisement, that said newspaper has been admitted to the United State mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a daily newspaper duly qualified for publishing legal notices within the meaning of the laws of the State of Colorado; that copies of each number of said newspaper, in which said notice was published, were transmitted by mail or carrier to each of the subscribers of said newspaper, according to the accustomed mode of business in this office.

That the annexed legal notice was published in the regular and entire editions of said newspaper for a period of four insertions: and that the first publication of said notice was in the issue of said newspaper dated May 15, 2013 and that the last publication of said notice was in the issue of said newspaper dated June 5, 2013.

In witness whereof I have hereunto set my hand this

5th day of June, 2013.

Terri Trujillo

Subscribed and sworn to before me this

5th day of June, 2013.

My Commission Expires April 26, 2015.

Barbara J. McNally

BARBARA J. McNALLY NOTARY PUBLIC STATE OF COLORADO

PUBLIC NOTICE
Rocky Mountain Aggregate and Construction, LLC, whose address is 23625 Uncompahgre RD, Montrose, CO, 81401 and phone number is 970-249-8780, has filed an application for a Regular (112) Construction Materials Operation Reclamation Permit with the Colorado Mined Land Reclamation Board under provisions of the Colorado Land Reclamation Act for the Extraction of Construction Materials. The proposed mine is known as the Uncompahgre Pit, and is located at or near Sections 27 and 34, Township 47 North, Range 9 West of the New Mexico Principal Meridian, Montrose County.
The proposed date of commencement is June 2013, and the proposed date of completion is 2123. The proposed future use of the land is dry rangeland and wildlife habitat. Additional information and tentative decision date may be obtained from the Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, Colorado 80203, (303) 866-3567, or at the Montrose County Clerk and Recorder's office; 320 South First Street, Room 101, Montrose, CO 81401, or the above-named applicant.
Comments must be in writing and must be received by the Division of Reclamation, Mining and Safety by 4:00 pm on June 26, 2013.
Please note that under the provisions of C.R.S. 34-32.5-101 et seq. Comments related to noise, truck traffic, hours of operation, visual impacts, effects on property values and other social or economic concerns are issues not subject to this Office's jurisdiction. These subjects, and similar ones, are typically addressed by your local governments, rather than the Division of Reclamation, Mining, and Safety or the Mined Land Reclamation Board.

Published May 15, 22, 29 and June 5, 2013
L-11055