STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY Department of Natural Resources

1313 Sherman St., Room 215 Denver, Colorado 80203 Phone: (303) 866-3567 FAX: (303) 832-8106

July 31, 2013

Tony Connell Connell Resources, Inc. 7785 Highland Meadows Parkway, Suite 100 Fort Collins, CO 80528

RE: Hayden Gravel Pit, Permit No. M-1987-164, Objection to 112c Amendment Application (AM-2)

Dear Mr. Connell,

On July 31, 2013 the Division of Reclamation, Mining and Safety (Division) received an objection (attached) to the above referenced application from the State Land Board.

Please inform the Division of how you will respond to the issue presented by the State Land Board. This issue must be resolved in order to satisfy the requirements of Rule 6.4.14.

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

Sincerely, Dusitn Czapla

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

Enc: State Land Board Letter of Objection dated July 31, 2013



John W. Hickenlooper Governor

Mike King Executive Director

Loretta Piñeda Director

STATE OF COLORADO

Governor John Hickenlooper

July 31, 2013

Department of Natural Resources Mike King, Executive Director



STATE BOARD OF LAND COMMISSIONERS Bill Ryan, Director 1127 Sherman Street, Suite 300 Denver, CO 80203 Phone: (303) 866-3454 Fax: (303) 866-3152

RECEIVED

BY ELECTRONIC MAIL

Mr. Dustin Czapla Department of Natural Resources Division of Reclamation, Mining and Safety 101 South 3rd, Suite 301 Grand Junction, CO 81501 JUL 3 1 2013 GRAND JUNCTION FIELD OFFICE DIVISION OF RECLAMATION MINING & SAFETY

RE: Notice of 112 Construction Materials Permit Amendment Application Connell Resources, Inc., Camilletti Pit, Permit No. M-1987-164 State Land Board Objection

Dear Mr. Czapla,

Thank you for the notice provided by the Division of Reclamation, Mining and Safety regarding the referenced permit amendment application. The State Board of Land Commissioners (Land Board) has reviewed its mineral ownership records in the vicinity of the requested permit expansion and determined that the mineral estate under much of the proposed expansion, specifically the land listed below, is owned by the State of Colorado:

<u>ACRES</u>	<u>SUBDIVISION</u>	SEC-TWP-RGE	PATENTS	COUNTY
80	S2NW	12 - 6N - 88W	4577	Routt

The State of Colorado, by and through the State Board of Land Commissioners, was granted ownership, both surface and mineral estates, by the US Government through the Colorado Enabling Act, Section 7 wherein Congress granted sections numbered sixteen and thirty-six in every township for the support of common schools. This particular parcel was selected by the Board in the 1890's as an In Lieu Selection for lands lost to the state in Western Colorado, and was conveyed to the state by Clear List No. 6, Indemnity School Land, Glenwood District of the General Land Office.

The surface estate of the above described land was conveyed to Oliver Wolcott Hooker by Patent No. 4577 on February 10, 1927. This patent specifically reserves all minerals to the State of Colorado.

I have attached a copy of the patent along with a map outlining state mineral ownership in the vicinity of permit amendment application.

The Land Board allows access to minerals for development through mineral leases that must be approved by the Board of Land Commissioners. Current records show that no mineral lease is in effect on the lands that are included in the referenced permit amendment application. Until such time as a mineral lease has been fully executed to allow extraction of the sand & gravel resources owned by the State of Colorado, the Land Board objects to the mine plan proposed in the amendment application. The process for a mineral lease begins by submitting an application form that is available at http://www.trustlands.state.co.us.

If you have any questions, please do not hesitate to contact me at 303-866-3454 ext. 3313

Sincerely Miy ! Tan

Phillip J. Couriney Solid Minerals Leasing Manager

Attachments: State of Colorado Patent No. 4577 Map

Cc: Pete Milonas, Minerals Director - State Land Board



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State of Colorado

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PATENT No. 4577

To all unto Whom these Presents shall Come: Greeting;

Oliver Wolcott Hooker. Whereas. of the County of ______ A forthe acts of the General Assembly of the State of Colorado, in accordance with the provisions of the acts of the General Assembly of the State of Colorado, approved and in force at the time of the purchase of the and herein designated and described, and at the time of the execution of this conveyance, has made full payment as appears from the records of the State Board of Land Commissioners, of and for the 1. Foutt following described real estate, lying and situate in the County of ...= and State of Colorado, to-wit: Northwest C al Mall the contro (21 Quarter (Switz) of tion chorlow (12), clow 77 20% # (6) 72 el right the chith (15) Principal Meride (ec) West 4ão 240) acree mary m 0 itel to the State of Colorado however and metale evenu porpose H norence each minerale aubettances Subject. any and all easements or right to obtained and now which said described tract of land has been purchased by the said luces. Wolcott en C deven Aundred I for the sum of 113 1 m/no (\$ 3760:2) Nom Know WP. That the State of Colorado in consideration of the premises, and in conformity with the Act of the General Assembly, in such case provided, has sold and granted, and by these presents does sell and grant unto the said - his heirs and to and assigns, the said tract above described: TO HAVE AND TO HOLD the same as above specified, together with all the rights, privileges, immunities and appurtanances of whatsoever nature hereunto belonging, unto the said and this heirs and assigns forever. In Testimony Whereof, I,. um Id. Alimos Seal of State Governor of the State of Colorado, have caused these letters to be made Patent, and the Great Seal of the State of Colorado to be hereunto attached. .. Given under my Hand at the City of Denver, the... day of February A. D. 1927 l of O Wm H. Blame German : .' .' Attest: Ches. M. Arm mity too Teo. 559. Brik 14. Carl Gooly Reserve Base & Land Commissioners. day of Fabricary A. D. 1967. at 4 s'clock T. H. Carl Cooly Bogister. 19. 6, 1910. 1 Princhase no. 559, Baskiy -16 th Flied for record this. t and a second and the second and the

