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



Robert Congdon Elbram Stone LLC 801 Colorado Avenue Glenwood Springs, CO 81601



John W. Hickenlooper Governor

Mike King Executive Director

Loretta Piñeda Director

RE: White Banks Mine, Permit No. M-1999-042, Surety Increase Protest

Dear Mr. Congdon:

On August 16, 2013 the Division of Reclamation, Mining and Safety (Division) received your correspondence regarding the Notice of Surety Increase (SI-3). In your letter you express your wish to protest the surety increase. Pursuant to Rule 4.2.1 (2), if an Operator disagrees with a notice of surety increase, the Division shall schedule the matter for a hearing before the Board. The Division can schedule the matter to be heard at the November 13-14, 2013 Board meeting.

During a telephone conversation with with your associate, Walter Brown on August 19, 2013, I explained that the reclamation liability for the site could be reduced by performing some of the reclamation tasks, such as removal of unusable structures or equipment from the site. If these reclamation tasks can be completed within a timely manner, before October 31, 2013, the Division can reevaluate the reclamation liability for the site and adjust the required financial warranty accordingly.

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

Sincerely

Dustin Czapła 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

Cc: Olivia Garcia, USFS