

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



CONSTRUCTION MATERIAL SPECIAL (111) OPERATION RECLAMATION PERMIT APPLICATION PACKAGE

APPLICABILITY:

The 111 Reclamation Permit application package is for a construction material extraction operation which extracts sand, gravel or quarry aggregate for the sole purpose of obtaining material for highway, road, utility, or similar type construction under a federal, state, county, city, town, or special district contract and where the contract calls for work to be commenced within a specifically short time affecting thirty (30) acres or less. If you plan to conduct a construction material extraction operation which meets these criteria, please follow the instructions provided in this package, in the Rules and Regulations, and in the Colorado Land Reclamation Act for the Extraction of Construction Materials, as required.

RECOMMENDATIONS PRIOR TO FILING:

The Construction material Rules and Regulations (the Colorado land Reclamation Act for the Extraction of Construction Materials, Section 34-32.5-101, et seq., C.R.S., and 2 CCR 407-1) and the Colorado Mined Land Reclamation Board (the "Board") regulate the permitting, operational, and reclamation requirements for all construction material extraction operations in Colorado. It is your obligation to comply with the Act and Regulations. You are encouraged to obtain and review a copy of the Rules, available for \$8.00 from the Division of Reclamation, Mining, and Safety (the "Office"). In order to submit your application properly, it is recommended that you review the Act and:

- Rule 1.1 Definitions;
- Rule 1.4 Application Review and Consideration Process;
- Rule 1.6 Public Notice Procedures;
- Rule 3.1 Reclamation Performance Standards;
- Rule 3.3.1 Operating without a Permit - Penalty;
- Rule 4 Performance Warranties and Financial Warranties;
- Rule 6 Permit Application Exhibit Requirements;
- Rule 6.2 General Requirements of Exhibits;
- Rule 6.3 Specific Permit Application Exhibit Requirements;
- Rule 6.5 Geotechnical Stability Exhibit (as required).

It is recommended that you contact the agencies listed under in the application section titled "Compliance With Other Laws" prior to submitting the application to the Office.

FILING REQUIREMENTS:

In order to apply for a Reclamation Permit for a Special 111 Operation, please provide:

- _____ ° One (1) signed and notarized completed **ORIGINAL** and one (1) copy of the completed Special 111 Operation Application Form.
- _____ ° Two (2) copies of all Exhibits (required sections described in Rule 6).
- _____ ° Two (2) copies of Addendum 1 - Notice requirements (described in Rule 1.6.2(1)(b)). An example of this notice is attached for your use.
- _____ ° The Geotechnical Stability Exhibit when required by the Division.
- _____ ° The application fee.
- _____ ° The **FULLY EXECUTED** financial and performance warranty forms.

NOTICE REQUIREMENTS:

- _____ 1. You **MUST** send a notice, on a form approved by the Board, to the local board of county commissioners. A copy of this "Notice of Filing Application" form is attached for your use.
- _____ 2. If the mining operation is within the boundaries of a conservation district, send a notice to the board of supervisors of the conservation district, **PRIOR** to filing the application. A copy of this "Notice of filing Application" form is attached for your use.
- _____ 3. You **MUST** include proof of notice #1 and #2 above with the application at the time the application is submitted to the Office for filing (Rule 1.6.2(1)(g)).
- _____ 4. **Prior** to filing the application, place for public review a copy of the application, less confidential items, with the clerk or recorder of the county or counties in which the affected land is located. You **MUST** provide the office with an affidavit or receipt indicating the date on which the copy of the application was placed with the clerk or recorder at the time the application is submitted to the Office for filing (Rule 1.6.2(1)(c)).
- _____ 5. Any changes or additions made to an application submittal **MUST** be filed with the county clerk or recorder. You **MUST** also provide the Office with an affidavit or receipt demonstrating that the change was filed with the county clerk or recorder no later than the close of business on the day the change was filed with the Office (Rule 1.8.1(2)).

The copy of the application and any changes or additions placed at the office of the county clerk or recorder shall **NOT** be recorded, but shall be retained there for at least sixty (60) days after a decision on the application by the office and be available for inspection during this period. At the end of this period, the application may be reclaimed by the applicant or destroyed (Rule 1.6.2(2)).

APPLICATION REVIEW PROCEDURES:

The Office shall approve or deny the application within fifteen (15) days of filing unless the date for consideration by the Office is extended pursuant to Rule 1.8. If any changes or additions are made to the application after initial submittal, the local board of county commissioners **MUST** be notified. Proof of filing notice of the change with the county **MUST** be provided to the Office. A form approved by the Board for these purposes is enclosed with this application package.

If the requirements of the Act and Rules have been satisfied, the Office will approve the application. The Act also provides for automatic approval if no action is taken by the office by the end of the 15 day review period.

APPLICATION APPROVAL/DENIAL:

If the requirements of the Act and Rules have not been satisfied, the Office will deny the application. If the Office denies the application, you may appeal to the Board for a final determination by submitting a written request for an administrative appeal to the Board within 60 days of the date of the decision (Rule 1.4.7).

PERFORMANCE AND FINANCIAL WARRANTIES:

The application **MUST** include a fully-executed performance warranty (enclosed with this application), and submitted with the application. The application **MUST** also include a fully executed financial warranty in the amount of \$2,500 per acre of affected land (a fraction of an acre is counted as one acre for calculation). The law and regulations allow for several different types of financial warranty. Please review Rule 4 of the Rules to determine what type of financial warranty you desire to use. Appropriate forms are available by request from the Office. If you are a governmental entity, a financial warranty is **NOT** required but a performance warranty is required.

COMPLIANCE WITH OTHER LAWS:

Compliance with the Act and Rules and Regulations of the Mined Land Reclamation Board **DOES NOT** in any way relieve you of the responsibility to comply with all other applicable state and federal laws (Section 115(4)(c), 34-32.5-109(5) C.R.S.). We recommend that you contact the following agencies to determine whether you need to comply with their legal requirements:

- The Colorado State Historical Preservation Office regarding properties of historical significance including the need for an archeological survey, procedures for requesting a file search, and inventory forms to identify structures;
- Colorado Division of Water Resources with regard to water rights;
- Colorado Department of Health, Water Quality Control Division, with regard to the discharge of pollutants into State waters;
- Colorado Department of Health, Air Pollution Control Division, with regard to the need for a fugitive dust permit;
- U.S. Bureau of Land Management **or** U.S. Forest Service for proposed operations on Federal lands;
- U.S. Army Corps of Engineers regarding a dredge and fill (404) permit; and
- The County Planning Department for the county or counties in which the proposed operation is located. Section 34-32.5-109(3), C.R.S., requires a mining operator to be responsible for assuring that the mining operation and the post-mining land use comply with local land use regulations and any master plan for extraction adopted pursuant to Section 34-1-304, C.R.S.

PERMIT APPROVAL:

An applicant will not be issued a reclamation permit until notified by the Office that this application and the required performance and financial warranties have been approved. Alternatively, an automatic approval will occur where the Office fails to notify the applicant/operator that the application has been denied. This decision must be made fifteen (15) calendar days from the date the application was submitted. However, the performance and financial warranties must be submitted and approved by the Office before the permit will be issued even if you receive an automatic approval. **NO MINING OPERATIONS SHALL BEGIN UNTIL A PERMIT IS ISSUED (Rule 4.1(2)).**

COMPLETION OF MINING:

Upon completion of any phase of reclamation, you should consult Rule 3.1 for reclamation standards and 4.16 for details on how to request a reclamation responsibility release from the Board.

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CONSTRUCTION MATERIALS

SPECIAL (111) OPERATION

RECLAMATION PERMIT APPLICATION FORM

The application for a Construction Materials Special 111 Operation Reclamation Permit contains four major parts: (1) the application form; (2) Exhibits A-L, Addendum 1, and any sections of Exhibit 6.5 (Geotechnical Stability Exhibit), as required by the Office, and outlined in Rules 6.1, 6.2, 6.3, 6.5, and 1.6.2(1)(b); (3) the application fee; (4) the Performance Warranty and if required a Financial Warranty. When you submit your application, be sure to include one (1) **completed, signed and notarized ORIGINAL** and one (1) copy of the completed application form, two (2) copies of Exhibits A-L, Addendum 1, appropriate sections of Exhibit 6.5 (Geotechnical Stability Exhibit), as required, a check for the application fee described under (4) below, and the fully executed Performance Warranty and Financial Warranty, if required. Exhibits should **NOT** be bound or in 3-ring binders; maps should be folded to 8 2" X 11" or 8 2" X 14" size. To expedite processing, please provide the information in the format and order described in this form.

GENERAL OPERATION INFORMATION

Type or print clearly, in the space provided, all information described below

1. **Applicant/operator or company name (name to be used on the permit):** _____

1.1 Type of organization (corporation, partnership, etc.): _____

2. **Operation name (pit, mine or site name):** _____

3. **Permitted acreage:** _____ Permitted Acres

4. **New Application:** \$898.00 Application Fee

5. **Primary commodity(ies) to be mined:** _____

6. **Name of owner to the surface of affected land:** _____

7. **Name of owner to the subsurface rights of affected land:** _____

8. **Type of mining operation:** Surface Underground In-situ

9. **Location information:** The **center** of the area where the majority of mining will occur:

COUNTY: _____

PRINCIPAL MERIDIAN (check one): 6th (Colorado) 10th (New Mexico) Ute

SECTION (write number): S _____

TOWNSHIP (write number and check direction): T _____ North South

RANGE (write number and check direction): R _____ East West

QUARTER SECTION (check one): NE NW SE SW

QUARTER/QUARTER SECTION (check one): NE NW SE SW

GENERAL DESCRIPTION: (the number of miles and direction from the nearest town and the approximate elevation): _____

10. **Primary Mine Entrance Location** (report in either Latitude/Longitude **OR** UTM):

Latitude/Longitude:

Example: (N) 39° 44' 12.98"
(W) 104° 59' 3.87"

Latitude (N): deg _____ min _____ sec _____._____ (2 decimal places)

Longitude (W): deg _____ min _____ sec _____._____ (2 decimal places)

OR

Example: (N) 39.73691°
(W) -104.98449°

Latitude (N) _____.(5 decimal places)

Longitude(W) _____.(5 decimal places)

OR

Universal Tranverse Mercator (UTM)

Example: 201336.3 E NAD27 Zone 13
4398351.2 N

UTM Datum (specify NAD27, NAD83 or WGS 84) _____ Zone _____

Easting _____

Northing _____

11. **Primary Future (Post-mining) Land Use (check only one):**

- | | | |
|--|---|--|
| <input type="checkbox"/> Cropland(CR) | <input type="checkbox"/> Pastureland(PL) | <input type="checkbox"/> General Agriculture(GA) |
| <input type="checkbox"/> Rangeland(RL) | <input type="checkbox"/> Forestry(FR) | <input type="checkbox"/> Wildlife Habitat(WL) |
| <input type="checkbox"/> Residential(RS) | <input type="checkbox"/> Recreation(RC) | <input type="checkbox"/> Industrial/Commercial(IC) |
| <input type="checkbox"/> Developed Water Resources(WR) | <input type="checkbox"/> Solid Waste Disposal(WD) | |

12. **Primary Present Land Use (check only one):**

- | | | |
|--|--|--|
| <input type="checkbox"/> Cropland(CR) | <input type="checkbox"/> Pastureland(PL) | <input type="checkbox"/> General Agriculture(GA) |
| <input type="checkbox"/> Rangeland(RL) | <input type="checkbox"/> Forestry(FR) | <input type="checkbox"/> Wildlife Habitat(WL) |
| <input type="checkbox"/> Residential(RS) | <input type="checkbox"/> Recreation(RC) | <input type="checkbox"/> Industrial/Commercial(IC) |
| <input type="checkbox"/> Developed Water Resources(WR) | <input type="checkbox"/> Mining(MN) | |

13. **Estimated Beginning Date of Contract:** _____

13.1 Estimated completion date of contract: _____

15. **Correspondence Information:**

APPLICANT/OPERATOR (name, address, and phone of name to be used on permit)

Contact's Name: _____ Title: _____
Company Name: _____
Street/P.O. Box: _____ P.O. Box: _____
City: _____
State: _____ Zip Code: _____
Telephone Number: (_____) - _____
Fax Number: (_____) - _____

PERMITTING CONTACT (if different from applicant/operator above)

Contact's Name: _____ Title: _____
Company Name: _____
Street/P.O. Box: _____ P.O. Box: _____
City: _____
State: _____ Zip Code: _____
Telephone Number: (_____) - _____
Fax Number: (_____) - _____

INSPECTION CONTACT

Contact's Name: _____ Title: _____
Company Name: _____
Street/P.O. Box: _____ P.O. Box: _____
City: _____
State: _____ Zip Code: _____
Telephone Number: (_____) - _____
Fax Number: (_____) - _____

CC: STATE OR FEDERAL LANDOWNER (if any)

Agency: _____
Street: _____
City: _____
State: _____ Zip Code: _____
Telephone Number: (_____) - _____

CC: STATE OR FEDERAL LANDOWNER (if any)

Agency: _____
Street: _____
City: _____
State: _____ Zip Code: _____
Telephone Number: (_____) - _____

14. **Maps & Exhibits:** Submit two (2) complete, unbound copies of the following application exhibits:

- 6.3.1 EXHIBIT A - Legal Description and Location Map
- 6.3.2 EXHIBIT B - Site Description
- 6.3.2 EXHIBIT C - Mining Plan
- 6.3.4 EXHIBIT D - Reclamation Plan
- 6.3.5 EXHIBIT E - Maps, to include the location of any recorded easements
- 6.3.6 EXHIBIT F - List of Other Permits and Licenses Required
- 6.3.7 EXHIBIT G - Source of Legal Right-to-Enter
- 6.3.8 EXHIBIT H - Municipalities Within a Two-mile Radius
- 6.3.9 EXHIBIT I - Proof of Filing with County Clerk
- 6.3.10 EXHIBIT J - Proof of Mailing Notices of Permit Application
- 6.3.11 EXHIBIT K - Terms of Governmental Contract
- 6.3.12 EXHIBIT L - Permanent Man-made Structures
- 1.6.2(1)(b) ADDENDUM 1 - Notice Requirements
- 6.5 Geotechnical Stability Exhibit (as required)

Responsibilities as a Permittee:

Upon application approval and permit issuance, this application becomes a legally binding document. Therefore, there are a number of important requirements which you, as a permittee, should fully understand. These requirements are listed below. **Please read and initial each requirement**, in the space provided, to acknowledge that you understand your obligations. If you do not understand these obligations then please contact this Office for a full explanation.

- _____ 1. Your obligation to reclaim the site is not limited to the amount of the financial warranty. You assume legal liability for all reasonable expenses which the Board or the Office may incur to reclaim the affected lands associated with your mining operation in the event your permit is revoked and financial warranty is forfeited;
- _____ 2. The Board may suspend or revoke this permit, or assess a civil penalty, upon a finding that the permittee violated the terms or conditions of this permit, the Act, the Mineral Rules and Regulations, or that information contained in the application or your permit misrepresent important material facts;
- _____ 3. If your mining and reclamation operations affect areas beyond the boundaries of an approved permit boundary, substantial civil penalties, to you as permittee can result;
- _____ 4. Any modification to the approved mining and reclamation plan from those described in your approved application requires you to submit a new permit application and obtain approval from the Board or Office;
- _____ 5. It is your responsibility to notify the Office of any changes in your address or phone number;
- _____ 6. Upon permit issuance and prior to beginning on-site mining activity, you must post a sign at the entrance of the mine site, which shall be clearly visible from the access road, with the following information (Rule 3.1.12):
 - a. the name of the operator;
 - b. a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and,
 - c. the permit number.

- _____ 7. The boundaries of the permit boundary area must be marked by monuments or other markers that are clearly visible and adequate to delineate such boundaries prior to site disturbance;
- _____ 8. It is a provision of this permit that the operations will be conducted in accordance with the terms and conditions listed in your application, as well as with the provisions of the Act and the Mineral Rules and Regulations in effect at the time the permit is issued.
- _____ 9. Annually, on the anniversary date of permit issuance, you must submit an annual fee (**\$504**), and an annual report which includes a map describing the acreage affected and the acreage reclaimed to date (if there are changes from the previous year), any monitoring required by the Reclamation Plan to be submitted annually on the anniversary date of the permit approval. Annual fees are for the previous year a permit is held. For example, a permit with the anniversary date of July 1, 1995, the annual fee is for the period of July 1, 1994 through June 30, 1995. Failure to submit your annual fee and report by the permit anniversary date may result in a civil penalty, revocation of your permit, and forfeiture of your financial warranty. It is your responsibility, as an operator, to continue to pay your annual fee to the Office until the Board releases you from your total reclamation responsibility.

NOTE TO COMMENTORS/OBJECTORS:

It is likely there will be additions, changes, and deletions to this document prior to final decision by the Office. Therefore, if you have any comments or concerns you must contact the applicant or the Office prior to the decision date so that you will know what changes may have been made to the application document.

The Office is not allowed to consider comments, unless they are written, and received prior to the end of the public comment period. You should contact the applicant for the final date of the public comment period.

If you have questions about the Mined Land Reclamation Board and Office's review and decision or appeals process, you may contact the Office at (303) 866-3567.

The following is a sample of the Notice required for Rule 1.6.2(1)(b) that you may wish to use. You **must** post a notice at the proposed access to the site.

NOTICE

This site is the location of a proposed construction materials operation. (Name of the Applicant/Operator) _____, whose address and phone number is (Address and Phone Number of the Applicant/Operator) _____, has applied for a Special 111 Operation Reclamation Permit with the Colorado Mined Land Reclamation Board. Anyone wishing to comment on the application may view the application at the (County Name) _____ County Clerk or Recorder's Office, (Clerk or Recorder's Office Address) _____, and should send comments prior to the end of the public comment period to the Division of Reclamation, Mining, and Safety, 1313 Sherman St., Room 215, Denver, Colorado 80203.

Certification:

I, (Name of the Applicant/Operator) _____ hereby certify that I posted a sign containing the above notice for the proposed permit area known as the (Name of Operation) _____, on (Date Posted) _____.

SIGNATURE

DATE

NOTICE OF FILING APPLICATION
FOR COLORADO MINED LAND RECLAMATION PERMIT
FOR **SPECIAL 111 OPERATION**

NOTICE TO THE BOARD OF COUNTY COMMISSIONERS
_____ COUNTY

_____ (the “Applicant/Operator”) has applied for a Special 111 reclamation permit from the Colorado Mined Land Reclamation Board (the “Board”) to conduct the extraction of construction materials in _____ County. The attached information is being provided to notify you of the location and nature of the proposed operation. The entire application is on file with the Division of Reclamation, Mining, and Safety (the “Division”) and the local county clerk or recorder.

The Applicant/Operator proposes to reclaim the affected land to _____ use. Pursuant to Section 34-32.5-116(4)(m), C.R.S., the Board may confer with the local Board of County Commissioners before approving of the post-mining land use. Accordingly, the Board would appreciate your comments on the proposed operation. Please note that, in order to preserve your right to a hearing before the Board on this application, you must submit written comments on the application within five (5) working days after the application was filed with the Division.

If you would like to discuss the proposed post-mining land use, or any other issue regarding this application, please contact the Division of Reclamation, Mining, and Safety, 1313 Sherman St., Room 215, Denver, Colorado 80203, (303) 866-3567.

NOTE TO APPLICANT/OPERATOR: You **must** attach a copy of the application form to this notice. If this is a notice of a change to a previously filed application you must either attach a copy of the changes, or attach a complete and accurate description of the changes.

NOTICE OF FILING APPLICATION
FOR COLORADO MINED LAND RECLAMATION PERMIT
FOR **SPECIAL 111 OPERATION**

NOTICE TO THE BOARD OF SUPERVISORS
OF THE LOCAL CONSERVATION DISTRICT
_____ DISTRICT

_____ (the “Applicant/Operator”) has applied for a Special 111 reclamation permit from the Colorado Mined Land Reclamation Board (the “Board”) to conduct the extraction of construction materials in _____ County. The attached information is being provided to notify you of the location and nature of the proposed operation. The entire application is on file with the Division of Reclamation, Mining, and Safety (the “Division”) and the local county clerk or recorder.

The Applicant/Operator proposes to reclaim the affected land to _____ use. Pursuant to Section 34-32.5-116(4)(m), C.R.S., the Board may confer with the local Conservation Districts before approving of the post-mining land use. Accordingly, the Board would appreciate your comments on the proposed operation. Please note that, in order to preserve your right to a hearing before the Board on this application, you must submit written comments on the application within five (5) working days after the application was filed with the Division.

If you would like to discuss the proposed post-mining land use, or any other issue regarding this application, please contact the Division of Reclamation, Mining, and Safety, 1313 Sherman St., Room 215, Denver, Colorado 80203, (303) 866-3567.

NOTE TO APPLICANT/OPERATOR: You **must** attach a copy of the application form to this notice. If this is a notice of a change to a previously filed application you must either attach a copy of the changes, or attach a complete and accurate description of the changes.

NOTICE OF FILING CHANGE TO A
SPECIAL 111 OPERATION APPLICATION
FOR COLORADO MINED LAND RECLAMATION PERMIT

NOTICE TO THE BOARD OF COUNTY COMMISSIONERS
_____ COUNTY

_____ (the “Applicant/Operator”) has applied for a change to a Special 111 reclamation permit from the Colorado Mined Land Reclamation Board (the “Board”) to conduct the extraction of construction materials in _____ County. The entire application is on file with the Division of Reclamation, Mining, and Safety (the “Division”) and the local county clerk or recorder.

The attached information is being provided to notify you there has been a change proposed in the application filed previously. Notice of the original application should have been sent to you earlier by the applicant/operator on a “Notice of Filing Application” form.

If you have any questions regarding this application, please feel free to contact the Division of Reclamation, Mining, and Safety, 1313 Sherman St., Room 215, Denver, Colorado 80203, (303) 866-3567.

NOTE TO APPLICANT/OPERATOR: You **must** attach a complete and accurate copy of the change to a previously filed application with the copy placed with the county clerk or recorder.

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. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____

(Please list additional structures on a separate page)

NOTARY FOR STRUCTURE OWNER

ACKNOWLEDGED 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

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



PERFORMANCE WARRANTY

Operator: _____

Operation: _____

Permit Number: _____

This form has been approved by the Mined Land Reclamation Board ("Board") pursuant to the Mined Land Reclamation Act (C.R.S. § 34-32-101 et. seq.) ("Hard Rock Act") and associated Rules (2 C.C.R. 407-1) ("Hard Rock Rules") and the Land Reclamation Act for the Extraction of Construction Materials (C.R.S. § 34-32.5-101 et. seq.) ("Construction Materials Act") and associated Rules (2 C.C.R. 407-4) ("Construction Materials Rules"). Any alteration or modification of this form, without approval by the Board shall result in the performance warranty being invalid and result in the voiding of any permit issued in conjunction with such invalid performance warranty and subject the operator to cease and desist orders and civil penalties for operating without a permit pursuant to sections 34-32-123, C.R.S. of the Hard Rock Act and 34-32.5-123, C.R.S. of Construction Materials Act.

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, the Colorado Mined Land Reclamation Act, C.R.S. § 34-32-101 et seq. (the "Hardrock Act"), as amended, and the Colorado Land Reclamation Act for the Extraction of Construction Materials, C.R.S. § 34-32.5-101 et seq. (the "Construction Materials Act"), as amended (collectively the "Acts"), provide that no permit may be issued until the Mined Land Reclamation Board (the "Board") receives a performance warranty consisting of the Operator's written promise to comply with the requirements of the Hardrock or Construction Materials Act, whichever is applicable.

WHEREAS, _____ (the "Operator"), has applied for a permit to conduct a mining operation known as _____ (the "Operation") on certain lands in _____ County, Colorado. These lands are described in the permit application, as amended and supplemented, and are referred to herein as the "Affected Lands."

WHEREAS, in its application for the permit, the Operator has agreed to be bound by all requirements of the Hardrock or Construction Materials Act and all applicable rules and regulations of the Board, as amended from time to time.

WHEREAS, the Operator hereby gives the Board this performance warranty pursuant to C.R.S. §§ 34-32-117(2) or 34-32.5-117(2), and herein promises the Board that it will comply with all applicable requirements of the Hardrock or Construction Materials Act.

NOW, THEREFORE, The Operator hereby promises the Board that it will comply with all applicable requirements of the Hard Rock or Construction Materials Act and applicable rules and regulations of the Board.

The Operator hereby promises the Board that it will comply with all of the terms of the application for a permit, as amended and supplemented, as well as any conditions attached to the permit by the Board.

The Operator promises the Board, pursuant to C.R.S. §§ 34-32-112(1)(d) or 34-32.5-112(1)(b)(IV), that it has the lawful authority to enter upon the Affected Lands to conduct mining operations, including, but not limited to, reclamation. The Operator further recognizes the right of the Board to enter to reclaim lands affected by the Operation.

The description of lands herein is for convenience of reference only, and no error in such description, revision of the permitted mining area, or disturbance by the Operator of lands outside of the permitted mining area shall alter or diminish the Operator's obligation hereunder, which shall extend to the reclamation of all such lands disturbed.

The obligation of the Operator hereunder is such that, if the Operator shall successfully comply with the requirements of the Hardrock or Construction Materials Act, applicable rules and regulations, and the permit, then the Board, upon a finding that the Operator has so complied, shall release this performance warranty, and the Operator from its obligation hereunder. The obligation of the Operator hereunder shall continue until released by the Board in accordance with applicable law.

The Operator promises to be responsible for the cost of reclamation up to the amount established by the Board and has attached hereto its financial warranty, in accordance with C.R.S. §§ 34-32-117(3) or 34-32.5-117(3). The Operator agrees that it will maintain a financial warranty (or warranties) covering the Board's estimated costs of reclamation in good standing for the entire life of the permit. If the Operator is a unit of County or Municipal government, or is a department or division of State government, the Operator is not required to submit or post any other instrument of financial responsibility but hereby promises to be responsible for the cost of reclamation up to the amount specified by the Board.

If the Board determines that the Operator is in default under this performance warranty and has failed to cure such default, although written notice of such default and ample time to cure such default have been given, the Operator's financial warranty shall be subject to forfeiture.

This performance warranty may be executed in multiple copies, each of which shall be treated as an original, but together they constitute only one agreement, the validity and interpretation of which shall be governed by the laws of the State of Colorado. The provisions hereof shall bind and inure to the benefit of the parties hereto and their successors and assigns.

