



108 8<sup>th</sup> Street, Suite 219  
Glenwood Springs, CO 81601  
Tele: (970) 945-9150  
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April 29, 2008

Norman A. Carpenter  
James A. Beckwith, Esq.  
Attorney for Teepee Park Ranch  
7910 Ralston Road, Suite 7  
Arvada, CO 80002  
[ithamer@aol.com](mailto:ithamer@aol.com)

Clark Gilbert  
Great American Insurance Company  
750 City Drive, Suite 33  
Orange, CA 92868  
[cwgilbert@gaic.com](mailto:cwgilbert@gaic.com)

Dear Mr. Beckwith and Mr. Carpenter:

Attached please find the following documents:

1. Resolution No. 97-70 (Tucker and Frase): Please note that the Resolution approving the Special Use Permit deals with road issues in paragraphs 7, 8, 15, and 16.
2. Bond No. FS 3 42 22 81 securing "repair of damage attributable to Principal's logging activities on County Road 320 and/or County Road 317." (\$100,000.00; October 1, 1999; Intermountain Ranches, LLC)
3. Resolution No. 2001-21 (Altenbern and Sons): Please note that paragraphs 2 and 6 deal with road issues.
4. Bond No. FS 4 55 03 80, stating "to provide a road bond in lieu of road paving on CR 317." (\$75,000.00; October 15, 2001; Intermountain Resources, LLC)
5. Resolution No. 2003-39 (Norman A. Carpenter) Please note that paragraph 4 requires " a Road Bond will remain in place with the County to overlay 1.6 miles of CR 320 with asphalt at the completion of the timber harvest." Paragraph 7 and 9 also deal with county roads, but are unrelated to the issue at hand.
6. Bond No. FS 4 93 19 63, "to provide a road bond in lieu of road paving on CR 320" (\$75,000.00; October 15, 2006; Teepee Park Ranch, LLC). Also included with this Bond is a notice of cancellation to the Road and Bridge Department dated October 15, 2006, notifying Road and Bridge that "termination shall take effect October 15, 2007." The letter was addressed to 8120 SH 82.

Norman A. Carpenter  
Clark Gilbert  
April 29, 2008  
Page 2

7. Road Bond FS 4 93 19 62, "to provide a road bond to insure the repair of damage attributable to Principal's logging activities on CR 320 and/or CR 317 (\$100,000.00; October 1, 2006; Teepee Park Ranch, LLC). Also attached is a letter dated October 1, 2006 to the County Road and Bridge Department advising of termination on October 1, 2007. Also included with this bond is a similar letter dated October 1, 2006, addressed to 8120 SH 82.

8. My letter, dated August 20, 2007 to Patricia Clough at Great American Insurance Companies, requesting that the bonds reference the correct Resolution No., i.e. 2003-39.

9. Via return email, please let me know when we can have a telephone conference. Assuming cancellation of the bonds, the earliest I can get this matter in front of the Board of County Commissioners is May 12, 2008. I will have to have paperwork to the BOCC's Administrative Assistant by Wednesday, May 7, 2008 for placement in the Commissioners' board packets.

Thank you both for your consideration of the attached documents.

Sincerely yours,

  
CAROLYN M. DAHLGREN  
Deputy Garfield County Attorney

CMD/kaw  
Enclosure

cc: Marvin Stevens, Road & Bridge Director  
Fred Jarmin, Building & Planning Director

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1 of 6 R 0.00 D 0.00 N 0.00 GARFIELD CLERK

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STATE OF COLORADO )  
 )ss  
County of Garfield )

At a regular meeting of the Board of County Commissioners for Garfield County, Colorado, held in the Commissioners' Meeting Room, Garfield County Courthouse, in Glenwood Springs on Monday, the 4th day of August A.D. 1997, there were present:

- Marian Smith Absent \_\_\_\_\_, Commissioner Chairman
- Larry McCown \_\_\_\_\_, Commissioner
- John Martin \_\_\_\_\_, Commissioner Chairman Pro-Ter
- Don Deford \_\_\_\_\_, County Attorney
- Mildred Alsdorf \_\_\_\_\_, Clerk of the Board
- Chuck Deschenes \_\_\_\_\_, County Administrator

when the following proceedings, among others were had and done, to-wit:

RESOLUTION NO. 97-70

A RESOLUTION CONCERNED WITH THE APPROVAL OF A SPECIAL USE PERMIT APPLICATION FOR NATURAL RESOURCE EXTRACTION FOR THE TUCKER AND FRASE PARTNERSHIP.

WHEREAS, the Board of County Commissioners of Garfield County, Colorado, has received application from the Tucker and Frase Partnership for a Special Use Permit to allow for the extraction of natural resources from the site identified in the application; and

WHEREAS, Garfield County Planning Commission held a public hearing on August 14, 1996 and continued said hearing to January 8, 1997, upon the question of whether the above described Special Use permit should be granted or denied, at which hearing the public and interested persons were given the opportunity to express their opinions regarding the issuance of said Special Use Permit; and

WHEREAS, the Board held a public hearing on February 10, 1997 and continued said hearing to July 28, 1997, upon the question of whether the above described Special Use Permit should be granted or denied, at which hearing the public and interested persons were given the opportunity to express their opinions regarding the issuance of said Special Use Permit; and



WHEREAS, the Board on the basis of substantial competent evidence produced at the aforementioned hearing, has made the following determination of fact:

1. That proper publication and public notice was provided as required by law for the hearing before the Board of County Commissioners.
2. That the hearing before the Board of County Commissioners was extensive and complete, that all pertinent facts, matters and issues were submitted and that all interested parties were heard at that hearing.
3. That the application is in compliance with the Garfield County Zoning Resolution of 1978, as amended.
4. For the above stated and other reasons, the proposed use is in the best interest of the health, safety, morals, convenience, order, prosperity and welfare of the citizens of Garfield County.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Garfield County, Colorado, that the Special Use Permit be and hereby is approved to allow for the extraction of natural resources, upon the following specific conditions:

1. That all representations of the applicant, either within the application or stated at the meeting before the Board of County Commissioners, and the forestry plan, shall be considered conditions of approval.
2. That prior to issuance of a County Special Use permit, the applicant receive a Special Use from the U.S. Forest Service for a haul route and the appropriate land use permit from the City of Rifle for watershed protection. Any additional conditions of approval attached to those permits shall be considered conditions of approval for this permit.
3. That all timber hauling on County Roads be on Monday through Friday, between the hours of 6 a.m. to 6 p.m. That any helicopter hauling will only occur between the hours of 7 a. m. to 5 p. m., Monday through Friday.
4. The haul route for timber and other overweight service vehicles will be approved by the County Road & Bridge Supervisor. Additionally, an overweight vehicle permit will be acquired for each vehicle needing such permit.
5. That the forest management practices and revegetation will be monitored for compliance with the proposed Teepee Park Forest Management plan by a consultant agreed upon by the Board of County Commissioners, City of Rifle and the applicant, and paid for by the applicant. That each tree will be marked prior to harvesting for inspection by the consultant and the Division of Wildlife, prior to harvesting.





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6. Approval of this application is based on the representations of the Forest Supervisor of the White River National Forest that Forest Service Road No. 824 is a legal right-of-way for the proposed Special Use permit. It is the responsibility of the applicant to obtain a declaration of the status of the road from a court with the appropriate jurisdiction
7. That prior to the issuance of a Special Use permit, the applicant submit engineered plans for the construction of intervisible turnouts on CR 317 meeting the Forest Service standards for sizing and spacing and the improvements be constructed. Additionally, the applicant will be responsible for the acquisition any additional right-of-way necessary for the placement of the turnouts, without the County's use of the power of eminent domain. Any property so acquired will be dedicated to the County.
8. That prior to the issuance of a Special Use permit, the applicant shall pay for an overlay of at least 1 ½ inches asphalt overlay of County Road 320 from Taugenbaugh Avenue to the intersection of CR 317 and 320, that is acceptable to the Board of County Commissioners. A road bond of \$100,000 will be placed with the Road and Bridge Department to be used for the repair of CR 320 and/or CR 317, due to damage attributable to the applicant's activities. The bond shall be valid for the period of time that the applicant is actively logging on their property.
9. This Special Use Permit is subject to review for compliance or noncompliance with performance requirements associated with the issuance of the permit. The applicant will be required to submit a report one year from the date of approval of a resolution of approval indicating the measures taken to comply with the performance requirements of the permit. The Board of County Commissioners will review the report in a public meeting within 30 days of receipt of the report and may determine that a public hearing is necessary to consider suspension of the permit or that conditions of approval must be met before additional activities can occur on the property.
10. All vehicles used in conjunction with logging operation must be licensed in the State of Colorado, through the Garfield County Clerk & Records Office.
11. The hauling of logs will be discontinued during normal times for local ranches to move cattle up or down County Road 317, when requested by a local rancher with grazing rights or property in the Beaver Creek drainage.
12. The applicant will not allow employees to drive personal vehicles to the site and will provide a crew cab for the transport of employees on and off of the site.
13. There will be no harvesting of aspen trees form the site, with the exception of the incidental cutting of trees, approved by the inspector agreed to by the City of Rifle and the County.



- 14. All revegetation of the site will be done with certified weed free seed mix.
- 15. County Road 317 will be resurfaced to an all weather/season surface to the USFS boundary and consistent with the standards approved by U.S. Forest Service for the Forest Service access road.
- 16. The haul route will only be along CR 320 from the intersection of CR 320/317 to Taugenbaugh Ave. in Rifle.
- 17. Upon transfer of ownership of the property subject to this special use permit, the new owner(s) shall meet with the Board at a regularly scheduled meeting of the Board and published as an agenda item of the Board.
- 18. That prior to the issuance of the permit, the applicants enter into an agreement with the Rifle Emergency Services to provide emergency services to the site.
- 19. Prior to the issuance of the permit, the Fire Management Plan is filed with the Garfield County Emergency Services office and the Rifle Fire Protection District.

Dated this 5th day of August, A.D. 1997.

ATTEST:

Mildred Alsdorf  
Clerk of the Board

GARFIELD COUNTY BOARD OF COMMISSIONERS, GARFIELD COUNTY, COLORADO

[Signature]  
Chairman Pro-Tem

Upon motion duly made and seconded the foregoing Resolution was adopted by the following vote:

Commissioner Chairman Smith - Absent, Aye  
Commissioner Chairman Pro-Tem John F. Martin, Aye  
Commissioner Larry McCown, Aye







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EXHIBIT A

All of that certain real property, together with but without warranty any and all water rights appurtenant thereto, if any, described as follows:

THE SOUTHWEST QUARTER (SW1/4) OF SECTION THIRTEEN (13), TOWNSHIP SEVEN (7) SOUTH, RANGE NINETY-FOUR (94) WEST OF THE SIXTH PRINCIPAL MERIDIAN.

THE SOUTH HALF (S1/2) OF THE SOUTH HALF (S1/2) OF SECTION FIFTEEN (15), TOWNSHIP SEVEN (7) SOUTH, RANGE NINETY-FOUR (94) WEST OF THE SIXTH PRINCIPAL MERIDIAN.

PART OF DRAKE NO. 3  
PART OF DRAKE NO. 4  
PART OF DRAKE NO. 5  
PART OF ALBERTA NO. 1  
PART OF ALBERTA NO. 2  
PART OF ALBERTA NO. 3  
PART OF ALBERTA NO. 4  
PART OF ALBERTA NO. 5  
PART OF P.C. JUNIOR NO. 1  
PART OF P.C. JUNIOR NO. 2  
PART OF P.C. JUNIOR NO. 3  
PART OF VIRGINIA NO. 1

ALICE

ALICE NO. 1  
ALICE NO. 2  
ALICE NO. 3

LITTLE MAUD NO. 1  
LITTLE MAUD NO. 3  
LITTLE MAUD NO. 5  
LITTLE MAUD NO. 7  
LITTLE MAUD NO. 9  
LITTLE MAUD NO. 11  
LITTLE MAUD NO. 13

AND LITTLE MAUD NO. 15  
OIL SHALE PLACER MINING CLAIMS DESIGNATED AS SURVEY NO. 20096, EMBRACING A PORTION OF SECTIONS TWENTY-FOUR AND TWENTY-FIVE AND THE UNSURVEYED PORTION OF TOWNSHIP SEVEN SOUTH OF RANGE NINETY-FOUR, WEST OF THE SIXTH PRINCIPAL MERIDIAN, AS DESCRIBED IN UNITED STATES PATENT RECORDED DECEMBER 17, 1932 IN BOOK 164 AT PAGE 486.

ALL IN THE COUNTY OF GARFIELD  
STATE OF COLORADO.





# GREAT AMERICAN INSURANCE COMPANY®

580 WALNUT STREET • CINCINNATI, OHIO 45202 • 513-369-5000 • FAX 513-723-2740

The number of persons authorized by  
this power of attorney is not more than

No. 0 13678

SIX

## POWER OF ATTORNEY

**KNOW ALL MEN BY THESE PRESENTS:** That the GREAT AMERICAN INSURANCE COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Ohio, does hereby nominate, constitute and appoint the person or persons named below its true and lawful attorney-in-fact, for it and in its name, place and stead to execute in behalf of the said Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; provided that the liability of the said Company on any such bond, undertaking or contract of suretyship executed under this authority shall not exceed the limit stated below.

Name	Address	Limit of Power
ROBERT A. BALLIN	LARRY C. BUCK	ALL
RAY PAIEMENT	STEVEN J. HANSON	UNLIMITED
MARGARET HUFFMAN	BEVERLEY VERBANIC	

This Power of Attorney revokes all previous powers issued in behalf of the attorney(s)-in-fact named above.

IN WITNESS WHEREOF the GREAT AMERICAN INSURANCE COMPANY has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 2nd day of February, 1999

Attest

GREAT AMERICAN INSURANCE COMPANY

STATE OF OHIO, COUNTY OF HAMILTON — ss:

On this 2nd day of February, 1999, before me personally appeared DOUGLAS R. BOWEN, to me known, being duly sworn, deposes and says that he resided in Cincinnati, Ohio, that he is the Vice President of the Bond Division of Great American Insurance Company, the Company described in and which executed the above instrument; that he knows the seal; that it was so affixed by authority of his office under the By-Laws of said Company, and that he signed his name thereto by like authority.

This Power of Attorney is granted by authority of the following resolutions adopted by the Board of Directors of Great American Insurance Company by unanimous written consent dated March 1, 1993.

*RESOLVED: That the Division President, the several Division Vice Presidents and Assistant Vice Presidents, or any one of them, be and hereby is authorized, from time to time, to appoint one or more Attorneys-In-Fact to execute on behalf of the Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; to prescribe their respective duties and the respective limits of their authority; and to revoke any such appointment at any time.*

*RESOLVED FURTHER: That the Company seal and the signature of any of the aforesaid officers and any Secretary or Assistant Secretary of the Company may be affixed by facsimile to any power of attorney or certificate of either given for the execution of any bond, undertaking, contract or suretyship, or other written obligation in the nature thereof, such signature and seal when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.*

## CERTIFICATION

I, RONALD C. HAYES, Assistant Secretary of Great American Insurance Company, do hereby certify that the foregoing Power of Attorney and the Resolutions of the Board of Directors of March 1, 1993 have not been revoked and are now in full force and effect.

Signed and sealed this

day of



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STATE OF COLORADO )  
 )ss  
County of Garfield )

At a regular meeting of the Board of County Commissioners for Garfield County, Colorado, held in the Commissioners' Meeting Room, Garfield County Courthouse, in Glenwood Springs on, Monday, the 16th day of April A.D. 2001, there were present:

- John Martin, Commissioner Chairman
- Larry McCown, Commissioner
- Walt Stowe, Commissioner
- Don DeFord, County Attorney
- Mildred Alsdorf, Clerk of the Board
- Ed Green, County Manager

when the following proceedings, among others were had and done, to-wit:

RESOLUTION NO. 2001-21

A RESOLUTION CONCERNED WITH THE APPROVAL OF THE ALTENBERN & SONS SPECIAL USE PERMIT APPLICATION TO ALLOW TIMBER HARVEST ALONG THE GENTLE SLOPES AND LOWER VALLEY FLOOR IN THE R/L ZONE DISTRICT.

WHEREAS, the Board of County Commissioners of Garfield County, Colorado, has received an application from Altenbern and Sons for a Special Use Permit to allow for approval of timber harvest along the gentle slopes and lower valley floor on private lands in the R/L zone district; and

WHEREAS, the Board of County Commissioners of Garfield County, Colorado, held a public hearing on the 2<sup>nd</sup> day of April, 2001, upon the question of whether the above described special use permit for a timber harvest should be granted or denied, at which hearing the public and interested persons were given the opportunity to express their opinions concerning the approval of said conditional use permit; and

WHEREAS, the Board of County Commissioners of Garfield County, Colorado, on the basis of substantial competent evidence produced at the aforementioned hearing, has made the

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following determination of fact as listed below:

1. That proper public notice was provided as required for the hearing before the Board of County Commissioners;
2. That the hearing before the Board of County Commissioners was extensive and complete, that all pertinent facts, matters and issues were submitted and that all interested parties were heard at that meeting;
3. That for the above stated and other reasons, the proposed special use permit is in the best interest of the health, safety, morals, convenience, order, prosperity and welfare of the citizens of Garfield County.
4. That the application is in conformance with the Garfield County Zoning Resolution of 1978, as amended;

NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Garfield County, Colorado, that the **Altenbern & Sons Special Use Permit** is hereby approved subject to compliance with all of the following specific conditions:

1. That all representations made by the applicant in the application, timber harvest plan, or at the public hearing shall be conditions of approval, unless specified otherwise by the Board of County Commissioners. Said representations include, but are not limited to:
  - a) Dust will be controlled with water or dust control chemicals so that it does not become a nuisance. If these are not sufficient means of dust control, the number of truck trips per day, and the speed of the trucks, shall be reduced as necessary.
  - b) The appearance of a mature, high forest will be maintained.
  - c) Slopes of 50+% slopes shall be harvested with helicopters.
  - d) 5,000 to 10,000 tons will be harvested using selective cutting.
  - e) The existing Carr Creek bridge crossing will be upgraded to handle haul loads and haul roads on private lands will be improved or constructed to minimum haul standards.
  - f) Intermittent drainages shall be crossed at right angles, with 18" steel or ADS culverts placed on a 2-4% grade, covered with at least 1' of dirt, and provided with a rock apron for spillage.
  - g) Landing slash will be burned during favorable conditions, with the proper permits. Burn areas and skid trails will be disked and re-seeded. Culverts will be placed to prevent erosion along abandoned roads. Cut/fill slopes will be stabilized. Noxious weeds will be monitored and treated.
  - h) Subsequent sales will obtain the appropriate new or expanded permits.
  - i) All operations will cease during spring run-off (typically March-May) and during big game hunting season (October to early November).
  - j) Chainsaws shall be equipped with spark arrestors and all motorized equipment shall

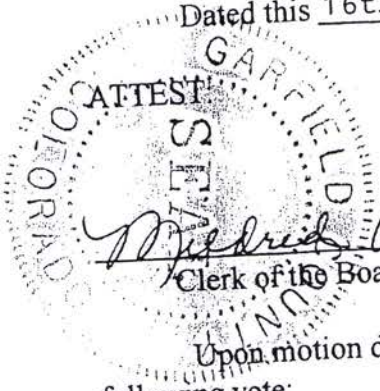


carry at least one shovel and one fire extinguisher;

2. That roads shall be maintained adequately. The applicant shall work with the Garfield County Road & Bridge Department to create a road maintenance agreement. Said agreement must be approved by the Board of County Commissioners prior to issuance of any conditional or special use permit;
3. That a weed control program shall be created and submitted to the Garfield County Vegetation Manager for approval prior to issuance of any permits. The approved program shall be implemented on both County (specifically CR 204 and CR 207) and private roads;
4. That all timber hauling on County Roads shall occur Monday through Friday, between the hours of 6 a.m. to 6 p.m., shall not exceed 10 loads per day, and shall be within legal weight limits. That any helicopter hauling will only occur between the hours of 7 a. m. to 5 p. m., Monday through Friday.
5. That the forest management practices will be monitored for compliance with the Douglas Fir timber harvesting plans by a consultant agreed upon by the Board of County Commissioners and the applicant, and paid for by the applicant.
6. That a bond of \$100,000.00 will be placed with Garfield County to be used for the repair of CR 204 and CR 207 due to damage attributable to the applicant's activities, for mitigation of impacts, for implementing rehabilitation of the site, and for controlling noxious weeds. The bond shall be valid for the period of time that the applicant is actively logging on their property. The \$100,000.00 bond shall be issued solely for the Altenbern project, and not cover any other operations;
7. That the Special and Conditional Use Permits are subject to review for compliance or noncompliance with the timber harvest plans and the conditions placed on the permits. The applicant will be required to submit a report one year from the date of issuance of the special and conditional use permits indicating the measures taken to comply with the performance requirements of the permit. The Board of County Commissioners will review the report in a public meeting within 30 days of receipt of the report and may determine that a public hearing is necessary to consider suspension of the permit or that conditions of approval must be met before additional activities can occur on the property;
8. That this conditional approval shall be valid until 4/2/02. If the applicant fails to meet the conditions by 4/2/02, and subsequently the conditional and special use permits are never issued, the approval shall be automatically revoked, unless an extension is granted by the Board of County Commissioners;

- 9. That the volume of sound generated shall comply with the standards set forth in the Colorado Revised Statutes at the time the application was filed (5/12/00).
- 10. That the ground vibration inherently and recurrently generated is not perceptible, without instruments, at any point of any boundary line of the property on which the use is located;
- 11. That emissions of smoke and particulate matter shall comply with all Federal, State and County air quality laws, regulations and standards;
- 12. That the following shall not be emitted: heat, glare, radiation or fumes which substantially interfere with the existing use of adjoining property or which constitutes a public nuisance or hazard. Flaring of gases, aircraft warning signals, reflective painting of storage tanks, or other such operations which may be required by law as safety or air pollution control measures shall be exempted from this provision.
- 13. That the applicant shall comply with the BLM and Mesa County access permits, and shall obtain and comply with any other necessary permits.
- 14. That, due to a lack of public noticing, the conditional and special use permits do not cover the portion of the Altenbern property found in Sections 13, 14, 23, and 24, Range 100 west of the 6<sup>th</sup> PM (a.k.a. "Shale Mountain Fraction").

Dated this 16th day of April, A.D. 2001.



Medrick Alsdorf  
Clerk of the Board

GARFIELD COUNTY BOARD OF  
COMMISSIONERS, GARFIELD  
COUNTY, COLORADO

[Signature]  
Chairman

Upon motion duly made and seconded the foregoing Resolution was adopted by the following vote:

- COMMISSIONER CHAIR JOHN F. MARTIN, Aye
- COMMISSIONER LARRY L. MCCOWN, Aye
- COMMISSIONER WALTER STOWE, Aye

STATE OF COLORADO )  
 )ss  
County of Garfield )

I, \_\_\_\_\_, County Clerk and ex-officio Clerk of the Board of  
Page 4 of 5



County Commissioners, in and for the County and State aforesaid, do hereby certify that the annexed and foregoing Resolution is truly copied from the Records of the Proceeding of the Board of County Commissioners for said Garfield County, now in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said County, at Glenwood Springs, this \_\_\_\_ day of \_\_\_\_\_, A.D. 20\_\_\_\_.

County Clerk and ex-officio Clerk of the Board of County Commissioners

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RECEIVED OCT 17 2001

## SPECIAL USE PERMIT BOND

Resolution No. 97-70  
Timber Harvest at Teepee CR Ranch Property

Bond No.: FS 4 55 03 80

KNOW ALL MEN BY THESE PRESENTS, That the Undersigned Intermountain Resources, LLC as Principal, and Great American Insurance Company, as Surety are held and firmly bound unto GARFIELD COUNTY ROAD & BRIDGE DEPT., Colorado as Obligee in the penal sum of Seventy-five Thousand and No/100 (\$75,000.00) for the payment of which, well and truly to be made the said Principal and the said Surety, bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

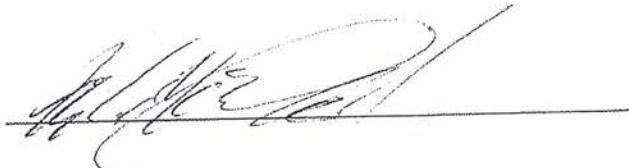
WHEREAS, the Principal now has or will be granted a Special Use Permit for natural resource extractions (commercial logging operation); and

WHEREAS, said Special Use Permit requires Principal to provide a road bond in lieu of road paving on CR317.

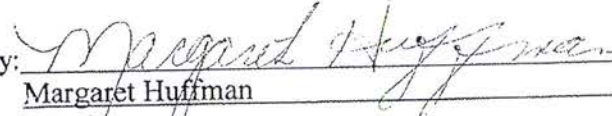
NOW, THEREFORE, if the Principal shall faithfully perform its duties under the above terms of the permit, then this obligation shall be null and void, otherwise to remain in full force and effect.

PROVIDED, that if the Surety shall so elect, this bond may be canceled as to subsequent liability by giving (30) days notice in writing to both the Principal and Obligee.

IN WITNESS WHEREOF, the Principal and Surety have hereunto set their hands and seals on the dates set forth below.

  
Date: OCTOBER 15, 2001

Great American Insurance Company Date: OCTOBER 15, 2001  
Surety

By:   
Margaret Huffman



# GREAT AMERICAN INSURANCE COMPANY®

580 WALNUT STREET • CINCINNATI, OHIO 45202 • 513-369-5000 • FAX 513-723-2740

The number of persons authorized by  
this power of attorney is not more than

No. 0 13936

FIVE

## POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the GREAT AMERICAN INSURANCE COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Ohio, does hereby nominate, constitute and appoint the person or persons named below its true and lawful attorney-in-fact, for it and in its name, place and stead to execute in behalf of the said Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; provided that the liability of the said Company on any such bond, undertaking or contract of suretyship executed under this authority shall not exceed the limit stated below.

Name	Address	Limit of Power
ROBERT A. BALLIN	LARRY C. BUCK	ALL
MARGARET HUFFMAN	STEVEN J. HANSON	UNLIMITED
BEVERLEY VERBANIC	EUGENE, OREGON	

This Power of Attorney revokes all previous powers issued in behalf of the attorney(s)-in-fact named above.

IN WITNESS WHEREOF the GREAT AMERICAN INSURANCE COMPANY has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 14th day of March, 2000

Attest

GREAT AMERICAN INSURANCE COMPANY

STATE OF OHIO, COUNTY OF HAMILTON — ss:

On this 14th day of March, 2000, before me personally appeared DOUGLAS R. BOWEN, to me known, being duly sworn, deposes and says that he resided in Cincinnati, Ohio, that he is the Vice President of the Bond Division of Great American Insurance Company, the Company described in and which executed the above instrument; that he knows the seal; that it was so affixed by authority of his office under the By-Laws of said Company, and that he signed his name thereto by like authority.

This Power of Attorney is granted by authority of the following resolutions adopted by the Board of Directors of Great American Insurance Company by unanimous written consent dated March 1, 1993.

*RESOLVED: That the Division President, the several Division Vice Presidents and Assistant Vice Presidents, or any one of them, be and hereby is authorized, from time to time, to appoint one or more Attorneys-In-Fact to execute on behalf of the Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; to prescribe their respective duties and the respective limits of their authority; and to revoke any such appointment at any time.*

*RESOLVED FURTHER: That the Company seal and the signature of any of the aforesaid officers and any Secretary or Assistant Secretary of the Company may be affixed by facsimile to any power of attorney or certificate of either given for the execution of any bond, undertaking, contract or suretyship, or other written obligation in the nature thereof, such signature and seal when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.*

## CERTIFICATION

I, RONALD C. HAYES, Assistant Secretary of Great American Insurance Company, do hereby certify that the foregoing Power of Attorney and the Resolutions of the Board of Directors of March 1, 1993 have not been revoked and are now in full force and effect.

Signed and sealed this 15th day of Oct 2001

GARFIELD COUNTY TREASURER  
RECEIPT

DATE: 10-18-01

FROM: Intermountain Resources LLC

RE: Beaver Creek Logging  
Co. Rd

\$ 75,000.<sup>00</sup>

SIGNED: Georgia Chamberlain

BY Jennie M Burns



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STATE OF COLORADO )  
 )ss  
County of Garfield )

At a regular meeting of the Board of County Commissioners for Garfield County, Colorado, held in the Commissioners' Meeting Room, Garfield County Courthouse, in Glenwood Springs on Monday, the 21st day of April, 2003, there were present:

John Martin, Commissioner Chairman  
Larry McCown, Commissioner  
Trési Houpt, Commissioner  
Don Deford, County Attorney  
Mildred Alsdorf, Clerk of the Board  
Ed Green, County Manager

when the following proceedings, among others were had and done, to-wit:

RESOLUTION NO. 2003-39

A RESOLUTION CONCERNED WITH THE APPROVAL OF A SPECIAL USE PERMIT APPLICATION FOR NATURAL RESOURCE EXTRACTION FOR NORMAN A. CARPENTER.

WHEREAS, the Board of County Commissioners of Garfield County, Colorado, has received application from Norman A. Carpenter for a Special Use Permit to allow for the extraction of natural resources from the site identified in the application; and

WHEREAS, the Board held a public hearing on April 21, 3002, upon the question of whether the above described Special Use Permit should be granted or denied, at which hearing the public and interested persons were given the opportunity to express their opinions regarding the issuance of said Special Use Permit; and

WHEREAS, the Board on the basis of substantial competent evidence produced at the aforementioned hearing, has made the following determination of fact:

1. That the public hearing before the Board of County Commissioners was extensive and complete, that all pertinent facts, matters and issues were submitted and that all parties were heard at the hearing.

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2. That the proposed special use conforms to the requirements of the Garfield County Zoning Resolution of 1978, as amended.
3. That the proposed land use will be compatible with existing and permitted land uses in all directions if appropriate conditions are attached to the permit.
4. That the proposed use will comply with all applicable standards contained in the Garfield County Zoning Resolution of 1978, as amended, including, but not limited to all standards in Sections 5.03.07 and 5.03.08.
5. That for the above stated and other reasons, the proposed special use is consistent with the best interest of the health, safety, morals, convenience, order, prosperity and welfare of the citizens of Garfield County.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Garfield County, Colorado, that the Special Use Permit be and hereby is approved to allow for the extraction of natural resources, upon the following specific conditions:

1. That all representations of the applicant, either within the application or stated at the meeting before the Board of County Commissioners, including the forestry plan, shall be considered conditions of approval.
2. That all timber hauling on County Roads be on Monday through Friday, between the hours of 6 a.m. to 6 p.m. Not included in the hauling hours are the trips in and out of the property by loggers and unloaded trucks accessing the property before 6 a.m.. Any helicopter hauling will only occur between the hours of 7 a. m. to 5 p. m., Monday through Friday. Haul trucks will not travel in a convoy, they will be spaced at least 10 minutes apart, before leaving the property.
3. That the forest management practices and revegetation will be monitored for compliance with the conditions of approval contained in the resolution of approval, by a consultant for the Board, agreed upon by the Board of County Commissioners and the applicant, and paid for by the applicant.
4. A road bond will remain in place with the County to overlay 1.6 miles of CR 320 with asphalt at the completion of the timber harvest.
5. The Special Use Permit, when issued, is subject to review for compliance or noncompliance with performance requirements associated with the issuance of the permit. The applicant shall submit a report one year from the date of issuance of the permit, indicating the measures taken to comply with the performance requirements of the permit. The Board of County Commissioners will review the report in a public meeting within 30 days of receipt of the report and may determine that a public hearing is necessary to consider suspension or revocation of the permit or that



conditions of approval must be met before additional activities can occur on the property.

- 6 All vehicles used in conjunction with logging operation must be properly licensed in the State of Colorado and the appropriate documentation provided to the Garfield County Clerk & Records Office verifying the licensing.
7. The hauling of logs will be discontinued during normal seasonal times for local ranchers to move cattle up or down County Road 317, when requested by a local rancher with grazing rights or property in the Beaver Creek drainage.
- 8 All revegetation of the site will be done with certified weed free seed mix.
9. The haul route will only be along CR 320 from the intersection of CR 320/317 to Taugenbaugh Ave. in Rifle. Additionally, an overweight vehicle permit will be acquired for each vehicle needing such permit.
10. Upon transfer of ownership of the property subject to the Special Use Permit issued in accordance with this resolution, the new owner(s) shall meet with the Board at a regularly scheduled meeting of the Board and published as an agenda item of the Board.
11. Prior to the issuance of the Special Use Permit, the Fire Management Plan shall be filed with the Garfield County Sheriff's office and the Rifle Fire Protection District.
12. Compliance with all terms and conditions of approval contained in any permit issued to the applicant, its successors or assigns, by any local government, state or federal agency, shall be deemed to be conditions of this Special Use Permit. A violation of any of the terms, conditions or provisions of such permit( s) shall be deemed to constitute a violation of the terms of approval of this Special Use Permit. The applicants, their successors and assigns, shall notify the Garfield County Board of Commissioners of notice of violation or violations of such permits as issued by any local government or state or federal agency. The Garfield County Board of Commissioners shall be notified within ten (10) calendar days of any violation or notice of possible violation.
13. On or before October 1, 2003, the County's consulting forester, hired in accordance with paragraph 3. above, will do an on site inspection of the site to review the applicant's compliance with the conditions of approval in this resolution. A report will be prepared for the Board of County Commissioners after the site review, presenting the findings.

Dated this 2nd day of June, A.D. 2003.



628471 06/02/2003 04:00P B1475 P678 M ALSDORF  
4 of 4 R 0.00 D 0.00 GARFIELD COUNTY CO

ATTEST:

GARFIELD COUNTY BOARD OF  
COMMISSIONERS, GARFIELD  
COUNTY, COLORADO



*Mildred Alsdorf*  
Clerk of the Board

*[Signature]*  
Chairman

Upon motion duly made and seconded the foregoing Resolution was adopted by the following vote:

COMMISSIONER CHAIRMAN JOHN F. MARTIN \_\_\_\_\_, Aye  
COMMISSIONER TRESI HOU \_\_\_\_\_, Aye  
COMMISSIONER LARRY L. MCCOWN \_\_\_\_\_, Aye

STATE OF COLORADO    )  
                                  )ss  
County of Garfield    )

I, \_\_\_\_\_, County Clerk and ex-officio Clerk of the Board of County Commissioners in and for the County and State aforesaid do hereby certify that the annexed and foregoing Resolution is truly copied from the Records of the Proceeding of the Board of County Commissioners for said Garfield County, now in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said County, at Glenwood Springs, this \_\_\_\_ day of \_\_\_\_\_, A.D.2003.

County Clerk and ex-officio Clerk of the Board of County Commissioners

\_\_\_\_\_



# SPECIAL USE PERMIT BOND

Resolution No. 97-70  
Timber Harvest at Teepee CR Ranch Property

Bond No.: FS 4 93 19 63

KNOW ALL MEN BY THESE PRESENTS, That the Undersigned TEEPEE PARK RANCH LLC as Principal, and Great American Insurance Company, as Surety are held and firmly bound unto GARFIELD COUNTY ROAD & BRIDGE DEPT., Colorado as Oblige in the penal sum of Seventy-five Thousand and No/100 (\$75,000.00) for the payment of which, well and truly to be made the said Principal and the said Surety, bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal now has or will be granted a Special Use Permit for natural resource extractions (commercial logging operation); and

WHEREAS, said Special Use Permit requires Principal to provide a road bond in lieu of road paving on CR320.

NOW, THEREFORE, if the Principal shall faithfully perform its duties under the above terms of the permit, then this obligation shall be null and void, otherwise to remain in full force and effect.

PROVIDED, that if the Surety shall so elect, this bond may be canceled as to subsequent liability by giving (30) days notice in writing to both the Principal and Oblige.

IN WITNESS WHEREOF, the Principal and Surety have hereunto set their hands and seals on the dates set forth below.

TEEPEE PARK RANCH LLC

\_\_\_\_\_ Date: OCTOBER 15, 2006

Great American Insurance Company \_\_\_\_\_ Date: OCTOBER 15, 2006  
Surety

By: \_\_\_\_\_  
DEBBIE SCHLUCKEBIER, ATTORNEY-IN-FACT



**NOTICE OF  
CANCELLATION**

1350 Treat Blvd, Suite 300  
Walnut Creek, CA 94597-7959  
Phone (925) 968-2252  
Fax (925) 935-9361

Garfield County  
Road and Bridge Dept.  
8120 Highway 82  
Glenwood Spring, CO 81601

RE: Bond No. 4931963 Dated: October 15, 2006

Principal: Teepee Park Ranch LLC  
19 Devonwood  
San Antonio, TX 78257

Bond Amt. \$75,000.00

Notice is hereby given that Great American Insurance Company, as Surety, elects to cancel the above described Bond, executed on behalf of the above named principal in your favor, subject to terms and conditions, as provided therein.

You are hereby notified that termination shall take effect October 15, 2007.

This notice is without prejudice to any rights or defenses already existing under the terms and conditions of said Bond, or at law, or in equity.

Reason for Cancellation: Property sold to Black Diamond Minerals  
Return Premium (if any): \$

Signed and Sealed this 18th day of February, 2008

**GREAT AMERICAN INSURANCE COMPANY**

Patricia A. Clough, Administrative Assistant

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

cc: Ms. Peggy Huffman  
Ward Insurance Agency, Eugene, OR

cc: Mr. Norman A. Carpenter, c/o James A Beckwith, Attorney and Counselor at Law  
7910 Ralston Rd., Suite 7, Arvada, CO 80002 via email: ithamer@aol.com



**SPECIAL USE PERMIT BOND**

**Resolution No. 97-70  
Timber Harvest at Teepee CR Ranch Property**

Bond No.: FS 4 93 19 62.

KNOW ALL ME BY THESE PRESENTS, That the Undersigned TEEPEE PARK RANCH LLC as Principal, and Great American Insurance Company, as Surety are held and firmly bound unto GARFIELD COUNTY ROAD & BRIDGE DEPT., Colorado as Obligee in the penal sum of ONE HUNDRED THOUSAND AND NO/100 for the payment of which, well and truly to be made the said Principal and the said Surety, bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS,, the Principal now has or will be granted a Special Use Permit for natural resource extractions (commercial logging operation); and

WHEREAS, said Special Use Permit requires Principal to provide a road bond to ensure the repair of damage attributable to Principal's logging activities on CR 320 and/or CR 317.

NOW, THEREFORE, if the Principal shall faithfully perform its duties under the above terms of the permit, then this obligation shall be null and void, otherwise to remain in full force and effect.

PROVIDED, that if the Surety shall so elect, this bond may be canceled as to subsequent liability by giving (30) days notice in writing to both the Principal and Obligee.

IN WITNESS WHEREOF, the Principal and Surety have hereunto set their hands and seals on the dates set forth below.

TEEPEE PARCH RANCH LLC

\_\_\_\_\_  
Date: OCTOBER 1, 2006

Great American Insurance Company  
Surety

\_\_\_\_\_  
Date: OCTOBER 1, 2006

By: \_\_\_\_\_  
DEBBIE SCHLUCKEBIER, ATTORNEY-IN-FACT



NOTICE OF  
CANCELLATION

1350 Treat Blvd . Suite 300  
Walnut Creek, CA 94597-7959  
Phone (925) 988-2252  
Fax (925) 935-9361

Garfield County  
Road and Bridge Dept.  
8120 Highway 82  
Glenwood Spring, CO 81601

RE: Bond No. 4931962 Dated: October 1, 2006

Principal: Teepee Park Ranch LLC  
19 Devonwood  
San Antonio, TX 78257

Bond Amt. \$100,000.00

Notice is hereby given that Great American Insurance Company, as Surety, elects to cancel the above described Bond, executed on behalf of the above named principal in your favor, subject to terms and conditions, as provided therein.

You are hereby notified that termination shall take effect October 1, 2007.

This notice is without prejudice to any rights or defenses already existing under the terms and conditions of said Bond, or at law, or in equity.

Reason for Cancellation: Property sold to Black Diamond Minerals  
Return Premium (if any): \$

Signed and Sealed this 18th day of February, 2008

GREAT AMERICAN INSURANCE COMPANY

Patricia A. Clough, Administrative Assistant

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

cc: Ms Peggy Huffman  
Ward Insurance Agency, Eugene, OR

cc: Mr Norman A. Carpenter, c/o James A Beckwith, Attorney and Counselor at Law  
7910 Ralston Rd., Suite 7, Arvada, CO 80002 via email: ithamer@aol.com

990-945-6382 x2240  
Georgia Chamberlain  
Jon  
Eric Hamilton x 2210

FRED JARMIN - DIRECTOR BLDG & PLANNING  
970-945-8212 x1540



*Inter Mountain*



108 8<sup>th</sup> Street, Suite 219  
Glenwood Springs, CO 81601  
Tele: (970) 945-9150  
Fax: (970) 384-5005

August 20, 2007

Patricia Clough  
Administrative Assistant  
Great American Insurance Companies  
1350 Treat Blvd, Suite 170  
Walnut Creek, CA 94597-7959

Re: TeePee Park Ranch LLC Bond Nos. FS4931962 and FS4931963

Dear Ms. Clough:

Enclosed please find a copy of Resolution No. 2003-39, recorded as Reception No. 628471, in Book 1475, at Page 675 of the Garfield County Clerk and Recorder's Office. This Resolution was the outcome of a hearing before the BOCC in April 2003.

The Resolution and the Garfield County Right-of-Way Use Regulations (Resolution No. 2003-113) require that the bonds remain in place. However, to be precise, the bonds should reference Resolution No. 2003-39, attached.

Mr. James Beckwith, Mr. Carpenter's attorney, and I are communicating by voice mail. In the interest of getting this Resolution to you, I am copying this letter to Mr. Beckwith without waiting for a telephone conference with him.

If you wish to call Mr. Beckwith, his telephone number is (303) 431-9966. My telephone number is in the letterhead.

Sincerely,  
  
CAROLYN M. DAHLGREN  
Deputy Garfield County Attorney

CMD/bjd  
enc.

cc: James A. Beckwith  
Fred Jarman, GarCo Building & Planning Director

1600 Stout St.  
Suite 1350  
Denver, CO 80202



August 6, 2008

Re: Garfield County SUP #203-39 (Timbering)

Dear Kathy,

Black Diamond Minerals, LLC (BDM) received your written request dated July 30, 2008 to review and report on the current property conditions on Tepee Park Ranch (TPR) as per a Garfield County Special Use Permit #2003-39 for Timbering. Garfield County has proposed a site visit at TPR on August 14, 2008. As I have stated to you and the BOCC, BDM has no plans to conduct commercial timbering operations at TPR. Additionally, BDM does not concede that the Special Use Permit obtained by a prior owner, Mr. Norm Carpenter applies to BDM.

BDM favors cancellation of Special Use Permit #2003-39. Even if BDM were subject to the SUP, there is no remediation required as part of the SUP to clean up the slash piles. However, as an example of our stewardship of the property, we have already contracted Bill Gheradi, a forestry consultant whom the County is familiar, to inspect TPR and provide BDM with a plan to remove slash piles and other clean-up activities. Once that report is completed we will share the report with Garfield County.

Based on the above, we request that a site visit, if necessary, be conducted after the remediation efforts since that will be more benefit to Garfield County.

Alternatively, if a visit is still deemed mandatory by Garfield County, BDM requests this visit occur after road construction is complete on WRNF Road #824. Possible dates would be August 25 or 26. In any event, a site visit cannot occur on the date requested because BDM has a previously scheduled meeting with the City of Rifle on August 14.

A handwritten signature in cursive script that reads "Scott D. Hall".

Scott D. Hall  
CEO  
Black Diamond Minerals, LLC

Phone: (303) 973-3228 x223

Fax: (303) 346-4893

E-Mail [sdhall@bdminerals.com](mailto:sdhall@bdminerals.com)



**SPECIAL USE PERMIT BOND**

**Resolution No. 97-70  
Timber Harvest at Teepee CR Ranch Property**

Bond No.: FS 3 42 22 81

KNOW ALL ME BY THESE PRESENTS, That the Undersigned INTERMOUNTAIN RANCHES, LLC as Principal, and Great American Insurance Company, as Surety are held and firmly bound unto GARFIELD COUNTY ROAD & BRIDGE DEPT., Colorado as Obligee in the penal sum of ONE HUNDRED THOUSAND AND NO/100 for the payment of which, well and truly to be made the said Principal and the said Surety, bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

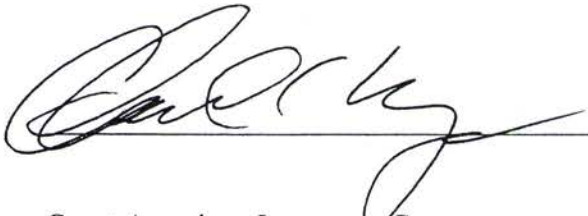
WHEREAS,, the Principal now has or will be granted a Special Use Permit for natural resource extractions (commercial logging operation); and

WHEREAS, said Special Use Permit requires Principal to provide a road bond to ensure the repair of damage attributable to Principal's logging activities on CR 320 and/or CR 317.

NOW, THEREFORE, if the Principal shall faithfully perform its duties under the above terms of the permit, then this obligation shall be null and void, otherwise to remain in full force and effect.

PROVIDED, that if the Surety shall so elect, this bond may be canceled as to subsequent liability by giving (30) days notice in writing to both the Principal and Obligee.

IN WITNESS WHEREOF, the Principal and Surety have hereunto set their hands and seals on the dates set forth below.



Date: OCTOBER 1, 1999

Great American Insurance Company  
Surety

Date: OCTOBER 1, 1999

By: Margaret Huffman  
Margaret Huffman

RECEIVED OCT 9 1999

# GREAT AMERICAN INSURANCE COMPANY®

580 WALNUT STREET • CINCINNATI, OHIO 45202 • 513-369-5000 • FAX 513-723-2740

The number of persons authorized by  
this power of attorney is not more than

No. 0 13678

SIX

## POWER OF ATTORNEY

**KNOW ALL MEN BY THESE PRESENTS:** That the GREAT AMERICAN INSURANCE COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Ohio, does hereby nominate, constitute and appoint the person or persons named below its true and lawful attorney-in-fact, for it and in its name, place and stead to execute in behalf of the said Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; provided that the liability of the said Company on any such bond, undertaking or contract of suretyship executed under this authority shall not exceed the limit stated below.

Name	Address	Limit of Power
ROBERT A. BALLIN	LARRY C. BUCK	ALL
RAY PAIEMENT	STEVEN J. HANSON	UNLIMITED
MARGARET HUFFMAN	BEVERLEY VERBANIC	

This Power of Attorney revokes all previous powers issued in behalf of the attorney(s)-in-fact named above.

IN WITNESS WHEREOF the GREAT AMERICAN INSURANCE COMPANY has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 2nd day of February, 1999

Attest

GREAT AMERICAN INSURANCE COMPANY

STATE OF OHIO, COUNTY OF HAMILTON — ss:

On this 2nd day of February, 1999, before me personally appeared DOUGLAS R. BOWEN, to me known, being duly sworn, deposes and says that he resided in Cincinnati, Ohio, that he is the Vice President of the Bond Division of Great American Insurance Company, the Company described in and which executed the above instrument; that he knows the seal; that it was so affixed by authority of his office under the By-Laws of said Company, and that he signed his name thereto by like authority.

This Power of Attorney is granted by authority of the following resolutions adopted by the Board of Directors of Great American Insurance Company by unanimous written consent dated March 1, 1993.

*RESOLVED: That the Division President, the several Division Vice Presidents and Assistant Vice Presidents, or any one of them, be and hereby is authorized, from time to time, to appoint one or more Attorneys-In-Fact to execute on behalf of the Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; to prescribe their respective duties and the respective limits of their authority; and to revoke any such appointment at any time.*

*RESOLVED FURTHER: That the Company seal and the signature of any of the aforesaid officers and any Secretary or Assistant Secretary of the Company may be affixed by facsimile to any power of attorney or certificate of either given for the execution of any bond, undertaking, contract or suretyship, or other written obligation in the nature thereof, such signature and seal when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.*

## CERTIFICATION

I, RONALD C. HAYES, Assistant Secretary of Great American Insurance Company, do hereby certify that the foregoing Power of Attorney and the Resolutions of the Board of Directors of March 1, 1993 have not been revoked and are now in full force and effect.

Signed and sealed this

day of





January 12, 2007

1350 Treat Blvd., Suite 170  
Walnut Creek, CA 94597-7959

Phone - (925) 988-2252  
FAX - (925) 935-9361

Garfield County  
Road & Bridge Dept.  
8120 Highway 82  
Glenwood Springs, CO 81601

Re: License and Permit Bond  
Special Use Permit Resolution NO. 97-07

To Whom It May Concern:

Bond number FS 4931963 was been issued to Teepee Park Ranch, LLC to replace bond number FS 5440380 written for Intermountain Resources LLC, both bonds written through Great American Insurance Company. Since coverage has never lapsed for this license bond, it is our hope that Notice of Cancellation will not be necessary to make our bond no. FS 5440380 canceled as of 10/15/2006.

If this is acceptable, please sign and return a copy of this letter as acknowledgment. Your assistance would be very much appreciated. Thank you.

Sincerely yours,

Patricia Clough  
Admin. Assistant

Acknowledged: \_\_\_\_\_  
Garfield County



108 8<sup>th</sup> Street, Suite 219  
Glenwood Springs, CO 81601  
Tele: (970) 945-9150  
Fax: (970) 384-5005

August 20, 2007

Patricia Clough  
Administrative Assistant  
Great American Insurance Companies  
1350 Treat Blvd, Suite 170  
Walnut Creek, CA 94597-7959

Re: TeePee Park Ranch LLC Bond Nos. FS4931962 and FS4931963

Dear Ms. Clough:

Enclosed please find a copy of Resolution No. 2003-39, recorded as Reception No. 628471, in Book 1475, at Page 675 of the Garfield County Clerk and Recorder's Office. This Resolution was the outcome of a hearing before the BOCC in April 2003.

The Resolution and the Garfield County Right-of-Way Use Regulations (Resolution No. 2003-113) require that the bonds remain in place. However, to be precise, the bonds should reference Resolution No. 2003-39, attached.

Mr. James Beckwith, Mr. Carpenter's attorney, and I are communicating by voice mail. In the interest of getting this Resolution to you, I am copying this letter to Mr. Beckwith without waiting for a telephone conference with him.

If you wish to call Mr. Beckwith, his telephone number is (303) 431-9966. My telephone number is in the letterhead.

Sincerely,

CAROLYN M. DAHLGREN  
Deputy Garfield County Attorney

CMD/bjd  
enc.

cc: James A. Beckwith  
Fred Jarman, GarCo Building & Planning Director



GARFIELD COUNTY TREASURER  
RECEIPT

DATE: 10-18-01

FROM: Intermountain Resources LLC

RE: Beaver Creek Logging  
Co. Rd

\$ 75,000.<sup>00</sup>

SIGNED: Georgia Chamberlain

BY Jennie M Burns

**SPECIAL USE PERMIT BOND**

**Resolution No. 97-70  
Timber Harvest at Teepee CR Ranch Property**

Bond No.: FS 3 42 22 81

KNOW ALL ME BY THESE PRESENTS, That the Undersigned INTERMOUNTAIN RANCHES, LLC as Principal, and Great American Insurance Company, as Surety are held and firmly bound unto GARFIELD COUNTY ROAD & BRIDGE DEPT., Colorado as Obligee in the penal sum of ONE HUNDRED THOUSAND AND NO/100 for the payment of which, well and truly to be made the said Principal and the said Surety, bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

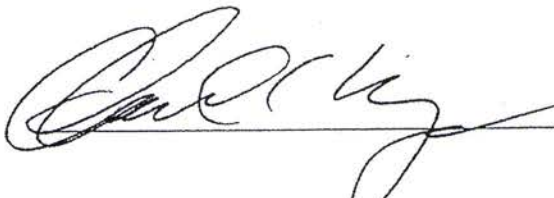
WHEREAS,, the Principal now has or will be granted a Special Use Permit for natural resource extractions (commercial logging operation); and

WHEREAS, said Special Use Permit requires Principal to provide a road bond to ensure the repair of damage attributable to Principal's logging activities on CR 320 and/or CR 317.

NOW, THEREFORE, if the Principal shall faithfully perform its duties under the above terms of the permit, then this obligation shall be null and void, otherwise to remain in full force and effect.

PROVIDED, that if the Surety shall so elect, this bond may be canceled as to subsequent liability by giving (30) days notice in writing to both the Principal and Obligee.

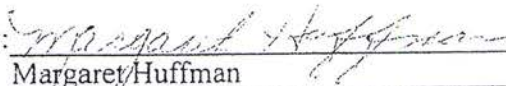
IN WITNESS WHEREOF, the Principal and Surety have hereunto set their hands and seals on the dates set forth below.



Date: OCTOBER 1, 1999

Great American Insurance Company  
Surety

Date: OCTOBER 1, 1999

By:   
Margaret Huffman

RECEIVED OCT 08 1999



# GREAT AMERICAN INSURANCE COMPANY®

580 WALNUT STREET • CINCINNATI, OHIO 45202 • 513-369-5000 • FAX 513-723-2740

The number of persons authorized by  
this power of attorney is not more than

No. 0 13678

SIX

## POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the GREAT AMERICAN INSURANCE COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Ohio, does hereby nominate, constitute and appoint the person or persons named below its true and lawful attorney-in-fact, for it and in its name, place and stead to execute in behalf of the said Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; provided that the liability of the said Company on any such bond, undertaking or contract of suretyship executed under this authority shall not exceed the limit stated below.

Name	Address	Limit of Power
ROBERT A. BALLIN	LARRY C. BUCK	ALL
RAY PAIEMENT	STEVEN J. HANSON	UNLIMITED
MARGARET HUFFMAN	BEVERLEY VERBANIC	

This Power of Attorney revokes all previous powers issued in behalf of the attorney(s)-in-fact named above.

IN WITNESS WHEREOF the GREAT AMERICAN INSURANCE COMPANY has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 2nd day of February, 1999

Attest

GREAT AMERICAN INSURANCE COMPANY

STATE OF OHIO, COUNTY OF HAMILTON — ss:

On this 2nd day of February, 1999, before me personally appeared DOUGLAS R. BOWEN, to me known, being duly sworn, deposes and says that he resided in Cincinnati, Ohio, that he is the Vice President of the Bond Division of Great American Insurance Company, the Company described in and which executed the above instrument; that he knows the seal; that it was so affixed by authority of his office under the By-Laws of said Company, and that he signed his name thereto by like authority.

This Power of Attorney is granted by authority of the following resolutions adopted by the Board of Directors of Great American Insurance Company by unanimous written consent dated March 1, 1993.

*RESOLVED: That the Division President, the several Division Vice Presidents and Assistant Vice Presidents, or any one of them, be and hereby is authorized, from time to time, to appoint one or more Attorneys-In-Fact to execute on behalf of the Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; to prescribe their respective duties and the respective limits of their authority; and to revoke any such appointment at any time.*

*RESOLVED FURTHER: That the Company seal and the signature of any of the aforesaid officers and any Secretary or Assistant Secretary of the Company may be affixed by facsimile to any power of attorney or certificate of either given for the execution of any bond, undertaking, contract or suretyship, or other written obligation in the nature thereof, such signature and seal when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.*

## CERTIFICATION

I, RONALD C. HAYES, Assistant Secretary of Great American Insurance Company, do hereby certify that the foregoing Power of Attorney and the Resolutions of the Board of Directors of March 1, 1993 have not been revoked and are now in full force and effect.

Signed and sealed this

1st day of Oct, 1999



108 8<sup>th</sup> Street, Suite 219  
Glenwood Springs, CO 81601  
Tele: (970) 945-9150  
Fax: (970) 384-5005

August 20, 2007

Patricia Clough  
Administrative Assistant  
Great American Insurance Companies  
1350 Treat Blvd, Suite 170  
Walnut Creek, CA 94597-7959

Re: TeePee Park Ranch LLC Bond Nos. FS4931962 and FS4931963

Dear Ms. Clough:

Enclosed please find a copy of Resolution No. 2003-39, recorded as Reception No. 628471, in Book 1475, at Page 675 of the Garfield County Clerk and Recorder's Office. This Resolution was the outcome of a hearing before the BOCC in April 2003.

The Resolution and the Garfield County Right-of-Way Use Regulations (Resolution No. 2003-113) require that the bonds remain in place. However, to be precise, the bonds should reference Resolution No. 2003-39, attached.

Mr. James Beckwith, Mr. Carpenter's attorney, and I are communicating by voice mail. In the interest of getting this Resolution to you, I am copying this letter to Mr. Beckwith without waiting for a telephone conference with him.

If you wish to call Mr. Beckwith, his telephone number is (303) 431-9966. My telephone number is in the letterhead.

Sincerely,

CAROLYN M. DAHLGREN  
Deputy Garfield County Attorney

CMD/bjd  
enc.

cc: James A. Beckwith  
Fred Jarman, GarCo Building & Planning Director





675

STATE OF COLORADO )  
 )ss  
County of Garfield )

At a regular meeting of the Board of County Commissioners for Garfield County, Colorado, held in the Commissioners' Meeting Room, Garfield County Courthouse, in Glenwood Springs on Monday, the 21st day of April, 2003, there were present:

John Martin, Commissioner Chairman  
Larry McCown, Commissioner  
Trési Houpt, Commissioner  
Don Deford, County Attorney  
Mildred Alsdorf, Clerk of the Board  
Ed Green, County Manager

when the following proceedings, among others were had and done, to-wit:

RESOLUTION NO. 2003-39

A RESOLUTION CONCERNED WITH THE APPROVAL OF A SPECIAL USE PERMIT APPLICATION FOR NATURAL RESOURCE EXTRACTION FOR NORMAN A. CARPENTER.

WHEREAS, the Board of County Commissioners of Garfield County, Colorado, has received application from Norman A. Carpenter for a Special Use Permit to allow for the extraction of natural resources from the site identified in the application; and

WHEREAS, the Board held a public hearing on April 21, 3002, upon the question of whether the above described Special Use Permit should be granted or denied, at which hearing the public and interested persons were given the opportunity to express their opinions regarding the issuance of said Special Use Permit; and

WHEREAS, the Board on the basis of substantial competent evidence produced at the aforementioned hearing, has made the following determination of fact:

1. That the public hearing before the Board of County Commissioners was extensive and complete, that all pertinent facts, matters and issues were submitted and that all parties were heard at the hearing.

447  
40

2. That the proposed special use conforms to the requirements of the Garfield County Zoning Resolution of 1978, as amended.
3. That the proposed land use will be compatible with existing and permitted land uses in all directions if appropriate conditions are attached to the permit.
4. That the proposed use will comply with all applicable standards contained in the Garfield County Zoning Resolution of 1978, as amended, including, but not limited to all standards in Sections 5.03.07 and 5.03.08.
5. That for the above stated and other reasons, the proposed special use is consistent with the best interest of the health, safety, morals, convenience, order, prosperity and welfare of the citizens of Garfield County.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Garfield County, Colorado, that the Special Use Permit be and hereby is approved to allow for the extraction of natural resources, upon the following specific conditions:

1. That all representations of the applicant, either within the application or stated at the meeting before the Board of County Commissioners, including the forestry plan, shall be considered conditions of approval.
2. That all timber hauling on County Roads be on Monday through Friday, between the hours of 6 a.m. to 6 p.m. Not included in the hauling hours are the trips in and out of the property by loggers and unloaded trucks accessing the property before 6 a.m.. Any helicopter hauling will only occur between the hours of 7 a. m. to 5 p. m., Monday through Friday. Haul trucks will not travel in a convoy, they will be spaced at least 10 minutes apart, before leaving the property.
3. That the forest management practices and revegetation will be monitored for compliance with the conditions of approval contained in the resolution of approval, by a consultant for the Board, agreed upon by the Board of County Commissioners and the applicant, and paid for by the applicant.
4. A road bond will remain in place with the County to overlay 1.6 miles of CR 320 with asphalt at the completion of the timber harvest.
5. The Special Use Permit, when issued, is subject to review for compliance or noncompliance with performance requirements associated with the issuance of the permit. The applicant shall submit a report one year from the date of issuance of the permit, indicating the measures taken to comply with the performance requirements of the permit. The Board of County Commissioners will review the report in a public meeting within 30 days of receipt of the report and may determine that a public hearing is necessary to consider suspension or revocation of the permit or that



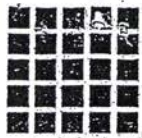
conditions of approval must be met before additional activities can occur on the property.

6. All vehicles used in conjunction with logging operation must be properly licensed in the State of Colorado and the appropriate documentation provided to the Garfield County Clerk & Recorders Office verifying the licensing.
7. The hauling of logs will be discontinued during normal seasonal times for local ranchers to move cattle up or down County Road 317, when requested by a local rancher with grazing rights or property in the Beaver Creek drainage.
8. All revegetation of the site will be done with certified weed free seed mix.
9. The haul route will only be along CR 320 from the intersection of CR 320/317 to Taugenbaugh Ave. in Rifle. Additionally, an overweight vehicle permit will be acquired for each vehicle needing such permit.
10. Upon transfer of ownership of the property subject to the Special Use Permit issued in accordance with this resolution, the new owner(s) shall meet with the Board at a regularly scheduled meeting of the Board and published as an agenda item of the Board.
11. Prior to the issuance of the Special Use Permit, the Fire Management Plan shall be filed with the Garfield County Sheriff's office and the Rifle Fire Protection District.
12. Compliance with all terms and conditions of approval contained in any permit issued to the applicant, its successors or assigns, by any local government, state or federal agency, shall be deemed to be conditions of this Special Use Permit. A violation of any of the terms, conditions or provisions of such permit(s) shall be deemed to constitute a violation of the terms of approval of this Special Use Permit. The applicants, their successors and assigns, shall notify the Garfield County Board of Commissioners of notice of violation or violations of such permits as issued by any local government or state or federal agency. The Garfield County Board of Commissioners shall be notified within ten (10) calendar days of any violation or notice of possible violation.
13. On or before October 1, 2003, the County's consulting forester, hired in accordance with paragraph 3. above, will do an on site inspection of the site to review the applicant's compliance with the conditions of approval in this resolution. A report will be prepared for the Board of County Commissioners after the site review, presenting the findings.

Dated this 2nd day of June, A.D. 2003.







# RESOURCE

ENGINEERING INC.

353

James Neu, Esq.  
Leavenworth & Karp PC  
PO Drawer 2030  
Glenwood Springs CO 81602

June 25, 2002

RE: City of Rifle - Beaver Creek Watershed Permit 1-97  
Intermountain Resources

Dear Jim:

On June 19, 2002 Resource Engineering, Inc. conducted the annual inspection of the Tepee Park logging activity in Beaver Creek. We also reviewed the proposed 2002/2003 activities. We made the field trip with Mr. Chris Meyers of Intermountain Resources, LLC.

Most of the proposed 2002/2003 logging will take place outside of the watershed boundary governed by the permit. The activities within the permit area includes limited logging in the "blow-down" area of Section 31. This activity consists of removing trees which have been blown down by recent wind storms. All of the activity is outside the riparian zone as is required by the permit.

Road construction activities are as proposed and approved in the permit. Applicant has committed to meeting the requirements of the Water Quality Plan.

Our inspection of current and previous activities indicates that Intermountain Resources has complied with the conditions of the permit. Roads are in good condition with no significant erosion. Revegetation is taking hold as expected. We specifically looked for any signs vehicle maintenance activity in the riparian zone and found none. We saw no evidence of dumping of oil or hazardous materials, however, we cautioned Mr. Meyers about such activity and asked that he remind his personnel to avoid any disposal of hazardous materials on-site.

Mr. Meyers stated that they have regular meetings with employees and subcontractors to reinforce safety issues and water quality concerns so that the importance of these matters is passed on to all employees working in the watershed. We believe that this is important to achieve the goal of protecting water quality.

It should be noted that RESOURCE obtained water samples at the three Beaver Creek stations on June 19, 2002. The samples were sent to ACZ laboratories for analysis and the results will be provided to the City when available. The field analysis for turbidities were as follows:

Station 1 - City Intake	1.34 NTU
Station 2 - Green Gate	2.39 NTU
Station 3 - Tepee Park	8.03 NTU

We noted that there were cattle in Beaver Creek above the City's intake and below the Green Gate during our sampling period. This activity would have likely impacted the turbidity at Station 3.

James Neu, Esq.  
Page 2

June 25, 2002

In summary we recommend approval of the proposed 2002/2003 logging activity under permit 1-97. we will schedule a fall inspection to review the work completed at that time.

Sincerely,

**RESOURCE ENGINEERING, INC.**

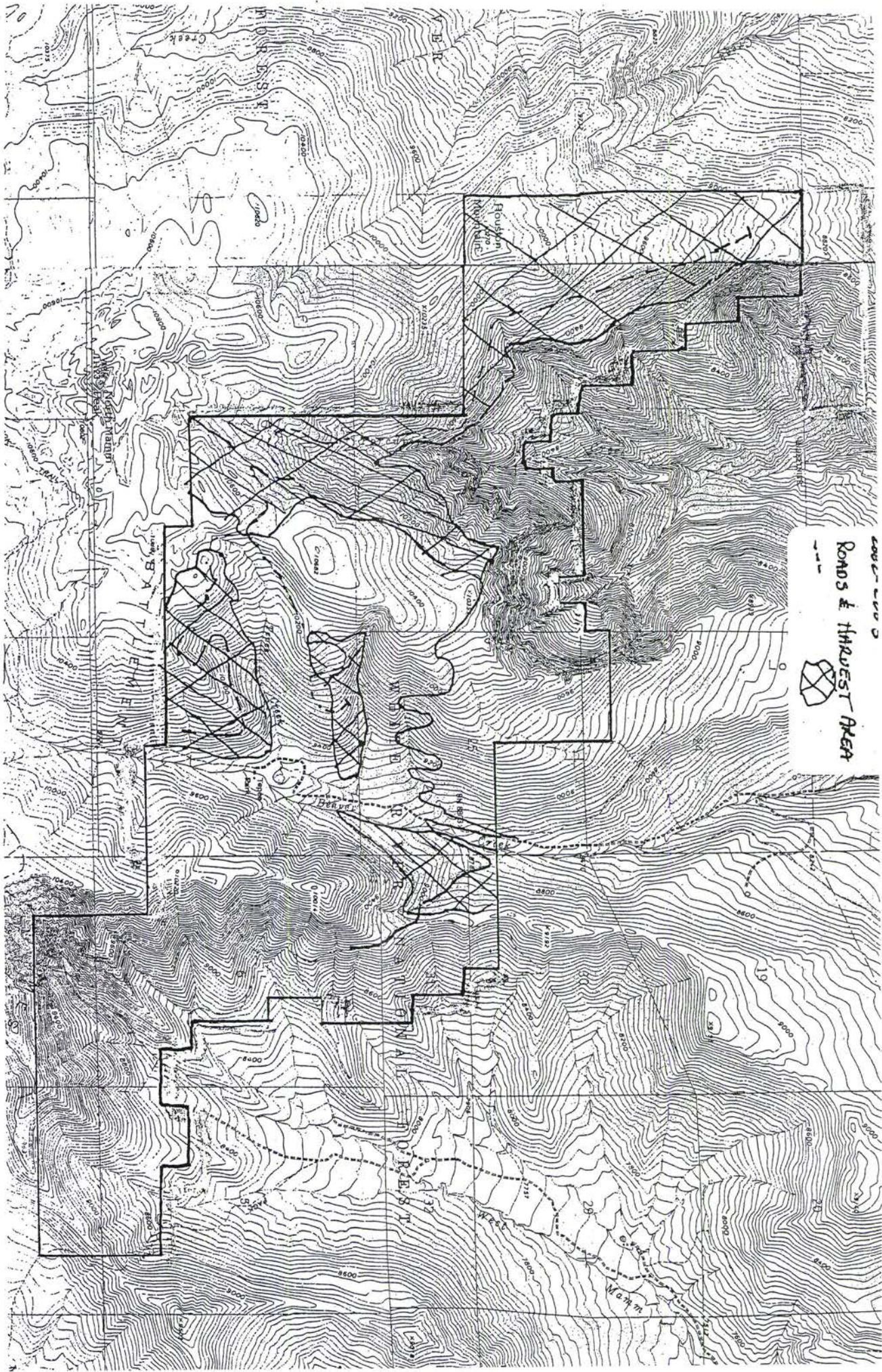


Paul S. Bussone, P.E.  
Water Resources Engineer

PSB/mmm  
341-10.1 jn bc 1-97.341.wpd

CC: Bill Sappington





2007-2008  
ROADS & THRUST AREA





Exhibit B

Kind: NATIVE GRASS MIX  
Mixture/Variety  
MOUNTAIN BROME, BROMAR  
ALSIKE CLOVER, VNS  
SLENDER WHEATGRASS, PRYOR

Lot: 48830  
Pure Germ Origin  
53.55 % 95 % WA  
22.88 % 98 % MT  
22.62 % 93 % CAN

Crop .20 % Inert .73 % Weeds .02 % NetWt 50.00 #  
Noxious Weeds: NONE FOUND Tested: 02-02



## TEEPEE PARK RANCH 2002 HARVEST PLAN

### ROAD CONSTRUCTION

We plan to resume haul road construction as soon as ground conditions permit. Planned construction (see enclosed map) is from "the cliffs" southward into Porcupine Creek drainage and then northward toward Houston Mountain and the northwest portion of the Teepee Park property. Additionally, construction will occur from "the cliffs" southward into both the southern and northern portions of the Tepee Creek drainage.

Again, roads will be flagged in prior to being constructed. All construction will follow the requirements of the Teepee Park Forest Management Plan (the plan) and conditions of the Fifer Letters dated March 3, 1997 and April 22, 1997. Additionally, we adhere to recommended practices in BMP's for Colorado's Forests.

Construction will be a combination of dozer and excavator. All necessary support vehicles will be on-site, as well.

Revegetation practices will follow the guidelines of the BMP's and the plan. Required seed will be broadcast spread at the recommended rate; mulching will be applied per guidelines also.

### UPCOMING LOGGING ACTIVITY

Initial 2002 timber harvesting will occur in the "blow down" area of section 31 (identified on the map as that area east of Beaver Creek. Once harvest in this area is complete, our intent is to move to the top of the mountain- concentrating in the Porcupine Creek drainage and the Tepee Creek drainage.

We will have a minimum of one logging contractor operating on the ranch. The logging methods consist of feller-bunchers and associated equipment and the possibility of a hand falling side.

When log removals begin in earnest, we expect to remove 10 +/- loads per day.

### EROSION CONTROL

We will have all required erosion control materials on-site before any construction or harvest activities begin. The minimum inventory for "emergency erosion control" is contained in the BMP's of the plan. We will typically use water bars on skid trails requiring erosion control measures. We may supplement this with a layer of slash on portions of the area. Spacing of water bars is dependent on the slope of the skid trail.

### SUMMARY OF PREVIOUS YEARS' REVEGETATION EFFORTS.

After the 4<sup>th</sup> of July fire, we constructed several miles of road to the top of the east part of the Porcupine Creek drainage. Harvest started in this area in the fall. Volume removed to date is 1,996 mbf on 446 loads.





# RESOURCE

ENGINEERING INC.

Mr. Bill Sappington, Public Works Director  
City of Rifle  
PO Box 1908  
Rifle CO 81650

August 29, 2001

RE: Intermountain Resources - Watershed permit No. 1-97

Dear Bill:

In response to the concerns of some Beaver Creek residents expressed to City personnel regarding turbidity of Beaver Creek, I made a site visit on August 28, 2001. The site visit was made with Chris Meyers of Intermountain Resources and Bill Gherardi, Consulting Forester.

Following is a brief summary of observation made of the date of the site visit:

- The roads constructed during the previous two years are in excellent condition. The drainage structure (ditches, culverts, catch basins, etc.) are functioning very well. Revegetation is well established and the road surface is good. I saw no erosion anywhere on the existing road.
- A new road on private land was constructed in early July primarily to provide access to the forest fire at the head of Porcupine Creek. Although most of the road is in the Porcupine Creek Basin, it originates on Beaver Creek just below Teepee Park and traverses along the west side of the drainage. This road will become the access for logging and will be brought up to Forest Service Road standards in the next 6 weeks. Culverts are on-site.
- Some erosion has occurred along the new road but there is no evidence of any impact on Beaver Creek water quality because the road is far from the creek and separated by vegetated areas.
- A large trench has been dug along the property line at the gate separating private land from public land. The purpose of the trench is to prevent vehicular trespassing which was occurring. The trench does not have an outlet, therefore no erosion has occurred and no impact to Beaver Creek is evident. None-the-less the trench and the embankment of excavated material are relatively close to Beaver Creek and the permit holder has agreed to "dress-up" the trench, refill most of it and revegetate the area. This will be done in the next few weeks.
- No logging has taken place to date except for minor amounts associated with the road work. Most of the 2001/2002 winter logging will occur in Porcupine Creek-Basin although a small amount in the West ½ of Section 31 in the Beaver

Mr. Bill Sappington  
Page 2

August 29, 2001

Creek Basin is planned for this winter. Access to the site will be across Beaver Creek via an existing road crossing with culvert. The culvert is marginally acceptable and is scheduled to be replaced next summer.

In summary we found no evidence of any activity which has impacted Beaver Creek. Certain recent activity in the process of being completed to acceptable standards. I propose a field inspection in late September to verify that the clean up work is complete before winter.

Sincerely,

**RESOURCE ENGINEERING, INC.**

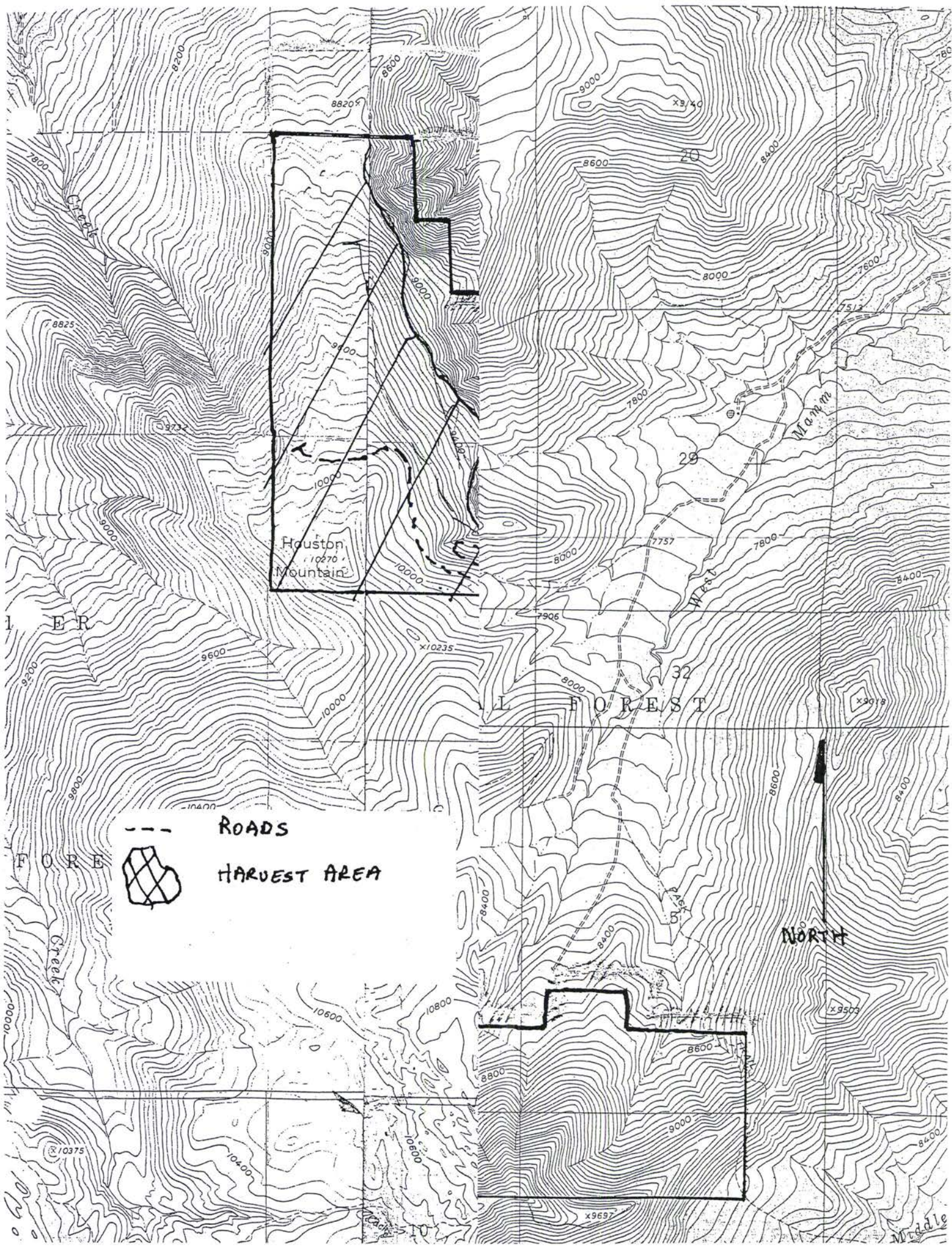


Paul S. Bussone, P.E.  
Water Resources Engineer

PSB/mmm  
341-10.1 bs watershed 1-97.341.wpd

CC: Chris Meyer





Houston Mountain  
10270



ROADS  
HARVEST AREA

NORTH

FOREST

FOREST

Middle

Creek

Middle

Creek

Creek

8820

x940

20

20

32

5

8825

9232

9000

9600

10400

10375

10400

10800

10800

8500

9000

10000

10000

x10235

8400

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## TEPEE PARK LOGGING PLAN 2001

### ROAD CONSTRUCTION

We plan to begin haul road construction as soon as ground conditions permit. Our road construction contractor is Masterson Construction. Mr. Masterson has been constructing roads for Intermountain Resources for three years and has extensive knowledge on Colorado's Best Management Practices (BMP's) regarding road construction, as well as a broad background constructing roads on national forest lands.

Roads will be flagged-in prior to beginning construction. All construction will follow the requirements of the Tepee Park Forest Management Plan (the plan) and conditions of the Fifer Letters dated March 3, 1997 and April 22, 1997. Additionally, we adhere to recommended practices in BMP's for Colorado forests.

Construction will be a combination of a dozer and excavator. All necessary support vehicles will be on-site, as well.

Revegetation techniques will follow the guidelines of the BMP's and the plan. Required seed will be broadcast spread at the recommended rate; mulching will be applied per guidelines also.

### UPCOMING LOGGING ACTIVITY

Our intent is to have jointactivities in the Beaver Creek, Porcupine Creek and West Mamm Creek drainages. Our initial and major harvest and log removals will occur in the Porcupine Creek and West Mamm Creek drainages this operating season. Harvest activities will commence about August 15th. We plan to deck the majority of the logs harvested and haul them when the ground is frozen. This will help mitigate damage to and erosion from roads.

We will employ a variety of silvicultural practices in our harvest. This will favor diversity in the stand structure and will support diverse wildlife species. The practices will include areas of group selection, shelterwood removal and individual tree selection. A commercial thinning is an option on a portion of Tepee Creek. Aspen stands will be harvested by coppice cuts.

We will have a minimum of one logging contractor operating the area. The logging methods consist of feller-bunchers and associated equipment and the possibility of a hand falling side.

When log removals begin in earnest, we expect to move 10 +/- loads per day. At this time, we do not foresee hauling logs after January, 2002.



## **EROSION CONTROL**

We will have all required erosion control materials on-site before any construction or harvest activities begin. The minimum inventory for "emergency erosion control" is contained in the BMP's in the plan. We will typically use water bars on skid trails requiring erosion control measures. We may supplement this with a layer of slash on portion of the area. Spacing of water bars is dependent on the slope of the skid trail.

## **SUMMARY OF PIERVIOUS YEARS' REVEGETATION EFFORTS**

There was no logging activity last year. However, we did perform some additional grass seeding on a couple of areas where prior seeding did not take on national forest lands from road construction in 1999.

## Timber Harvest Plan Tepee Park Ranch

### Road Construction

- July 1, 1999      Begin reconstruction of County Road #317 as required by Garfield County. This involves installation of the inter-visible turnouts, road aggregate placement and necessary drainage structures. (Pending county's approval of timetable)
- July 20, 1999      Construction and reconstruction of road required by US Forest Service. This would be a continuation of County Road #317.
- August 5, 1999      Initial construction of roads and culvert repair of Intermountain fee land (Tepee Park Ranch). This is a valid timetable only if Resource Engineering's initial water testing is complete.
- September 10, 1999      Application of asphalt lift on County Road #320.

### Timber Harvesting

- June, 1998 to  
January, 2000      Planning and unit layout of harvest units and tributary roads is a continuation of layout work done during 1998. Special consultant, Mr. William Gherardi, continues to participate weekly on this process.
- August 15, 1999      This is earliest date we anticipate to have cutting areas defined and available for initial timber harvesting.
- October 1, 1999 to  
February 1, 2000      This time period is when we plan to conduct our major harvesting activities for this year and into next. During this period, timber harvesting will be performed by one principle logging contractor. Frozen ground conditions and a low volume of public traffic will permit ideal "low impact" harvesting operations. All harvesting activities are planned to minimize effects on water quality. This should result in balancing harvest management operations throughout the four major drainages - i.e. Beaver, Porcupine, West Mamm and Tepee Creeks.



### General Information

- All operations will be conducted as defined by Colorado's BMP guidelines.
- Silvicultural systems will be employed consistent with those defined in the BMP's and Tepee Park Forest Plan.
- Logging equipment used will be modern state of the art systems specifically accepted by the State of Colorado, U. S. Forest Service and other federal agencies.
- Summaries of prior years' activities and water quality monitoring have been previously submitted and accepted.



This map is an approximate representation of all features. The accuracy of property boundaries and stream area is not guaranteed.

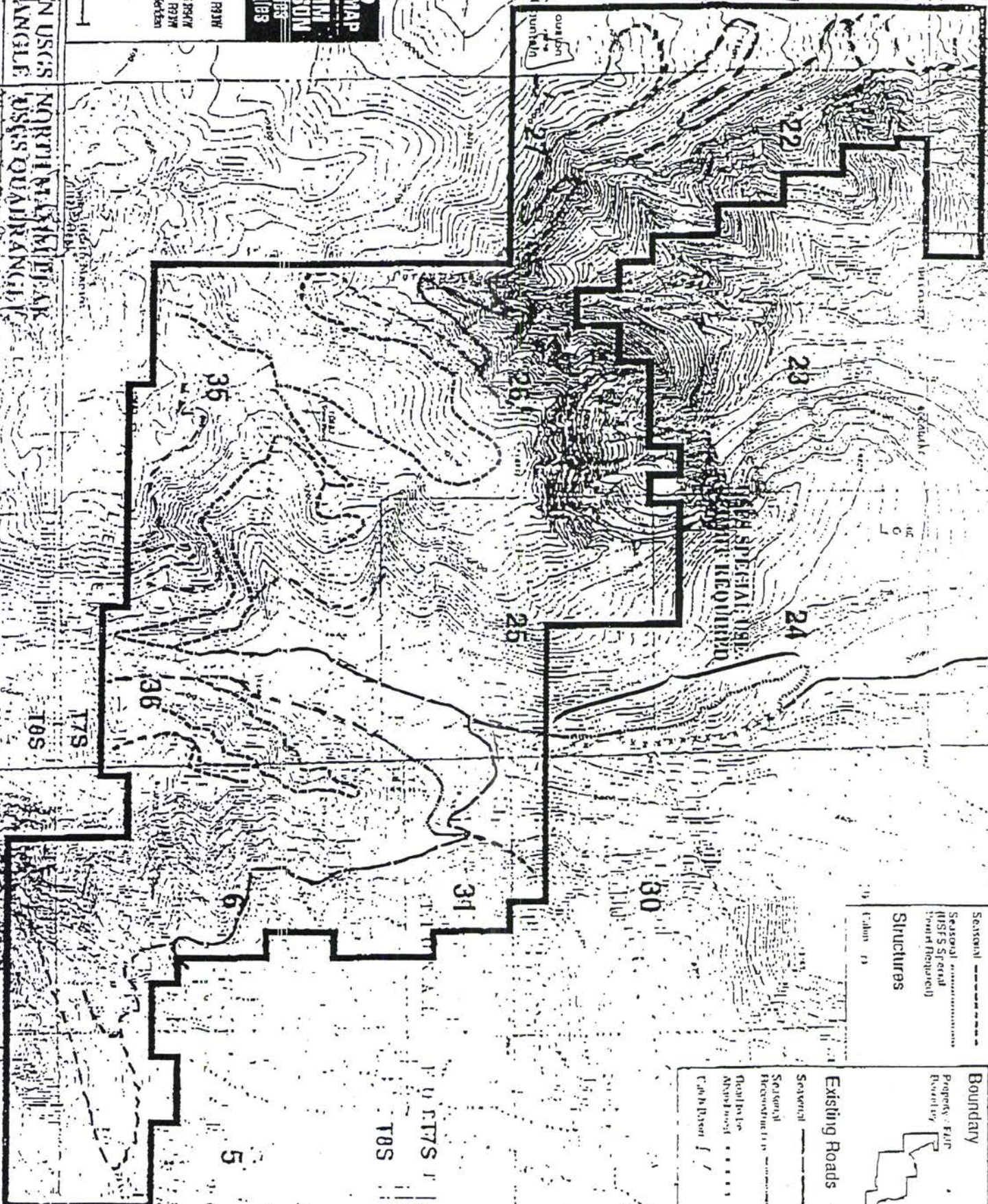
**RILISON USGS QUADRANGLE**

**NORTH MAMM PEAK USGS QUADRANGLE**

28371  
Intermountain Resource

USGS District  
Section 30 & 31 - T1S R94W  
Section 15, 21, 23  
24, 25, 26, 27, 28, 29 - T1S R94W  
Section 5, 6, 7 & 8 - T1S R93W  
All within the San Pitche-Wicken  
Caddis County  
USGS District  
K100000000

**ROADS AND TOPOGRAPHY MAP**  
**NORTH MAMM PEAK & RILISON**  
**7.5-MINUTE SERIES**  
**USGS Quadrangles**



Seasonal  
Seasonal (USFS Special Permit Required)  
Structures

**Boundary**  
Property - Fair Boundary  
**Existing Roads**  
Seasonal  
Seasonal (USFS Special Permit Required)  
Roads to be Abandoned  
Caddis River

0 500 1000 1500  
FEET  
T08



 **RESOURCE**  
ENGINEERING, INC.

Mr. Lee Leavenworth  
Leavenworth & Tester PC  
PO Drawer 2030  
Glenwood Springs CO 81602

RE: Rifle Watershed Permit No. 1-97  
Intermountain Resources, LLC

August 11, 1999



Dear Lee:

We received a map from Chris Meyers, Intermountain Resources, showing the proposed 1999/2000 road construction and logging areas. Most of the proposed activity is within the Beaver Creek watershed on private land but, some road construction within the watershed is on public lands. A portion of the roads and logging areas are outside the watershed. Upgrading Garfield County Roads 320 and 317 is also included in the proposed work. Approximately 7.5 miles of roads will be constructed or upgraded within the watershed and 90 to 100 acres of area will be logged.

George Foley, acting District Ranger, U.S. Forest Services, said that the plans for the proposed road on public lands have been submitted and reviewed but no permit has been issued to date.

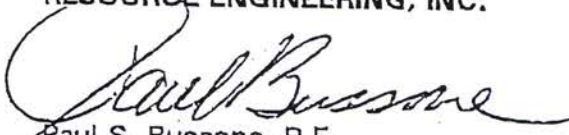
According to County Planner, Mark Bean, the plans for County Road 320 and 317 have been submitted and are under review. No approvals have been given by Garfield County at this time.

The water quality base line data has been collected except for one last reading which is scheduled for the week of August 16, 1999.

Upon final approval by Garfield County and permit issuance by the U.S. Forest Service, we would recommend that the City approve the 1999/2000 plan by Intermountain Resources. A pre-construction meeting and field trip is recommended.

Sincerely,

RESOURCE ENGINEERING, INC.

  
Paul S. Bussone, P.E.  
Water Resources Engineer

PSB/mmm  
341-10.1    // inter-mtn.341.wpd

Exhibit A



**INTERMOUNTAIN RESOURCES, LLC**

11925 6530 Road P.O. Box 670  
Montrose, Colorado 81402  
(970) 249-0812  
Fax (970) 249-0727

August 6, 1999

Mr. Paul S. Bussone, P.E.  
Water Resource Engineer  
Resource Engineering Inc.  
909 Colorado Avenue  
Glenwood Springs, CO 81601

RE: Logging Plan

Dear Paul:

As per your request, enclosed you will find a map indicating our proposed road construction and reconstruction of roads planned for 1999/2000. In addition, are the areas we propose to log during the 1999/2000 season through May, 2000.

If you have any questions, please feel free to notify me.

Respectfully;

Chris Meyers  
Owner

CM:hc  
Enclosure





# TEEPEE PARK RANCH

Rifle, Colorado

*High Mountain Forest Retreat*

Recd  
2-28-03

February 26, 2003 prior to hearing

Mr. John Martin, Chairman  
Board of County Commissioners  
Garfield County  
108 E. Eighth Street, Suite 213  
Glenwood Springs, CO 81601

Dear Mr. Martin and Commissioners,

Please allow me to share with you my personal perspective as landowner and steward of the Teepee Park forest ecosystem. Be assured that my intentions to improve the health of the Teepee Park forest and Beaver Creek watershed through selective timber harvest are not in conflict with your own intentions to represent the collective best interests of your constituents. I feel that we can, and must, work together to accomplish a mutually beneficial objective.

Long before I authorized felling of the first tree in Teepee Park, I studied circumstances pertaining to age and declining health of the forest, diminished soil moisture and stream flows, and increased fire hazard resulting from inability to apply sound forest management practices. I witnessed expanding mortality caused by pine and spruce beetles, and the inadequate replenishment of timber stocks caused by excessive density. I saw firsthand the reduction in big game habitat in areas of extreme density or uncleared blowdowns, with accompanying reduction in forage. I observed streamflows below what they could be with proper ecosystem management. And I saw us on the brink of a catastrophic wildfire.

When I was convinced that selective harvest was essential to the health of this forest ecosystem, I hired Mr. Gherardi of Woodland Management Consultants for the very purpose of providing professional guidance to improve the forest. Mr. Gherardi was recommended to me primarily for his experience, abilities, and familiarity with the property. It also appealed to me that Garfield County's consultant would be the same person who would guide me in this harvest, so that we could be in harmony.

My objective as expressed clearly to Mr. Gherardi was to improve forest health, stimulate new growth, enhance wildlife habitat, and increase stream flows. I specifically instructed Mr. Gherardi to selectively harvest a limited percentage of mature trees to open the canopy; to remove all damaged, sick or infested trees to eliminate beetle infestation or disease; to accelerate new growth through greater availability of nutrients, sunshine and moisture; and to protect and enhance wildlife and stream habitats through implementation of proven forest enhancement techniques. Studies show that a professionally managed limited harvest will increase moisture penetration through the canopy and into the forest floor without increasing runoff, thus stabilizing seasonal stream volume. I believe this will enhance the cool, pure water necessary for survival of resident pure-strain Colorado River Cutthroat trout in time of drought.



I have found Mr. Gherardi of Woodland Management Consultants to be a highly qualified and capable forester, well versed in sound forest management techniques, and cognizant of the latest studies. Beneath the veneer of a mountain man, Mr. Gherardi is a well educated and highly skilled forester, and I don't wish to change horses in mid-stream. If you choose to hire another consultant at your expense for a second opinion, I am confident that he will confirm that the forestry management practices implemented by Mr. Gherardi are sound.

I am equally confident that the expert direction of Intermountain Resources foresters and the careful professionalism of Willard Hahn's timber harvest crew are exemplary. My inspections and personal conversations with crew members confirm that they are highly trained; careful to avoid harm to the ecosystem as they are with equipment and personal safety. I can promise you that only the most experienced and capable timber harvest and road building professionals who share my views will be used in Teepee Park.

The enclosed articles published in the Middle Park Times (Grand County) reflect my core beliefs on which my stewardship of the Tepee Park forest and stream environment is founded. Please review these articles before any further discussion of this matter takes place in public venues. If you are not already familiar with the various studies of professional forest managers, you may want to obtain a copy of the latest Annual Report on Health of Colorado Forests as prepared by Colorado DNR Division of Forestry.

It is time that public administrators and private landowners join forces to insure the health of Colorado forests under our purview, in accordance with best commercial practice and in compliance with scientific discovery by mainstream environmental researchers. We should not allow ourselves to be influenced by hype, or give in to outspoken individuals with self-serving personal agendas when those opinions are not in the best interest of the long term vitality of our watersheds and forests.

Sincerely,



Norman A. Carpenter  
Owner  
Teepee Park Ranch

encl

c: Mr. Mark Bean, Director, Planning Dept.  
Mr. Don DeFord, County Attorney  
Mr. James A. Beckwith Esq., Atty.  
Mr. Joseph Duda, CSFS  
Mr. Christopher Meyers, IMR LLC  
Mr. William Gherardi, Woodland Management Consultants  
Mr. Willard A. Hahn, Hahn Logging & Excavating





# Editorial

## Concern for state's forests is increasing

"There is a serious forest health problem in Colorado. It is not a myth; it is very real."

Readers of the *Middle Park Times* have been reading statements like the one above for the past 12 years. This space has been used to bemoan the lack of forest management of the state and national forests in Colorado. We have decried the shortsighted

mentality of people who see a stand of aspen or lodgepole pine trees and want to preserve that scene as if it were a photograph in a museum. Forests are either living or dying. It has been frustrating for us to watch too much of our timber die in place, while timber harvesting, precommercial thinnings and tree planting have been put on the back shelf by too many of our forest managers.

You may think the initial statement above is just another diatribe by this newspaper. You would be wrong. That was a statement made by Rick Cables, Rocky Mountain regional forester for the U. S. Forest Service in testimony before the Colorado State Legislature. Cables was joined by Bill Schapp, a U. S. Forest Service entomologist who testified about the growing infestations of moun-

tain pine beetles and spruce beetles. About 68 percent of Colorado's 2.6 million acres of forest land is under federal ownership management. For more details about the report made to the state Legislature's agriculture committee please see the related story on Page 3 of this issue.

The main point of this editorial is not to adopt a we-told-you-so stance. We realize this newspaper is barely a blip on the radar screen of statewide politics. Mostly, we are glad to hear that correct information is being relayed so rational decisions can be made.

It is frustrating to drive through national forests and see the trees on entire hillsides slowly dying. It is equally frustrating to realize that much of forest management has been curtailed by the prevailing public opinion that timber harvest is unacceptable. It is most frustrating to know that forest management is the key to providing jobs and money for the economy AND to providing those picture-perfect hillside scenes that we all love.

It seems that we as humans need crises to make any kind of significant changes. We hope that this report at the state level is the first step toward developing a rational plan that evaluates the whole picture and not that of special interest and narrow-minded groups. If that happens, then maybe those millions of dying trees in Colorado won't be lost in vain.



# Colorado's forests fail health examination

A joint session of the House and Senate agriculture committees met Wednesday morning to discuss the findings of the first annual report on the health of Colorado's forests, produced by the Department of Natural Resources (DNR) Division of Forestry.

The annual forest health report was required by the 2000 statute creating the Division of Forestry, sponsored by Representative Diane Hoppe (R - Sterling), who chairs the House committee.

At the hearing, Rocky Mountain regional forester Rick Cables told the committee in bold and direct language, "There is a serious forest health problem in Colorado. It is not a myth; it is very real." Cables was joined by Bill Schaupp, a U.S. Forest Service entomologist who testified about the growing infestations of mountain pine beetles and spruce beetles throughout Colorado forests. About 68 percent of Colorado's 2.6 million acres of forest land is under federal ownership management.

The newly-released report addresses the most critical forest health issues that are facing Colorado, according to DNR executive director Greg Walcher.

"Part of the intent of this report is to convey the urgency of Colorado's forest health problem," said Walcher. "Sound science and forest management experts have given us a critical tool with which to begin an important public dialogue."

Jim Hubbard, Colorado state forester and director of the new Division of Forestry, has long advocated action on-the-ground to achieve improved forest conditions on all ownerships, not just forests held by the state or the federal government. According to Hubbard, the report addresses the projected sustainability of current forest management practices.

"In order to maintain good forest

health for generations to come, we simply have to take a closer look at our current practices," said Hubbard.

Some of the more pressing issues affecting the health of Colorado's forests are insects, disease, diminished water flows, and fuel buildup, especially in the wildland-urban interface, according to the first annual report.

All these problems are symptoms of the generally poor condition of Colorado's forests, including a large percentage of single-age stands, and what the U.S. Forest Service called a "major outbreak of trees" on Colorado's federal, state, and privately owned lands.

Representative Diane Hoppe, a long-time champion of forest health-related issues, emphasized the need for more dialogue regarding forest issues. According to Hoppe, this is only the first step.

"The patchwork land ownership of Colorado involves so many entities that a cohesive forest management plan has been difficult to obtain in the past," said Hoppe. "Innovative stewardship and cooperation between private landowners and public land managers could very well determine the fate of Colorado's forests."

Nancy Fishering, a consultant for Intermountain Resources, LLC, and chair of the Forest Advisory Board, was quick to point out the potential for great cooperative successes as a result of the new report. "This report is aimed at bringing together all forest managers, including federal, state, local, tribal, private and non-profit entities to jointly assess the problems of forest health and seek solutions," said Fishering.

The report outlines in detail major issues that have been identified in Colorado's forests, including:

— Changes in vegetation caused by such actions as suppression of forest

fires that have resulted in Colorado forests concentrated in older age classes with virtually no significant forest in the zero to 20-year age class and a marked decline in aspen forests.

— Significant insect and disease impacts that appear to be growing under current forest management practices resulting in loss of trees to the pine beetle, spruce beetle, and other pests and diseases.

— Recent changes in vegetation along with wildfires that impact watershed storage and can result in rapid runoff and erosion.

— Diminished snowpack runoff caused by the increased forest density resulting in evaporation before the water can reach the ground has changed streams and rivers, producing impacts on wildlife and changes in vegetation.



# Colorado infernos blamed on overgrown forests

BY BONNIE PEISTER  
EXPRESS-NEWS STAFF WRITER

LAKE GEORGE, Colo. — Controlled burns might have thwarted wildfires that have charred nearly 100,000 acres of Rocky Mountain woodlands and displaced thousands of rural residents, the nation's top forester said Thursday.

Touring the Hayman fire, the largest in Colorado history and the nation's No. 1 fire

priority, U.S. Forest Service Chief Dale Bosworth said "analysis paralysis" brought on by lawsuits from environmentalists has slowed the number of controlled fires the service sets.

Forestry authorities periodically thin dense forests to minimize the amount of tinder available to catch fire.

"Over the years, from regulations that evolved from court cases, we've gotten to the point where it takes a long time to

make a decision" about where and how much to burn, Bosworth said. "The courts keep raising the bar."

U.S. Rep. Scott McInnis, R-Colo., who toured the region with Bosworth, echoed those concerns.

"There's a real political fight we're going to address down the road," McInnis said.

"(Critics) think you're lumber barons out

See EXPERT/14A

# Expert says forests need to be thinned

CONTINUED FROM 1A

to destroy the forest. We are being very frustrated in getting the authority to go in there and clean some of this stuff out."

In testimony last month before Congress, Agriculture Secretary Ann Veneman criticized the Forest Service for anti-logging policies that have placed 73 million acres of national forest at moderate to high risk from wildfire.

Jane Danowitz, director of the Heritage Forests Campaign, responded that the White House's "focus of timber as a commodity is just one more example overall of the Bush administration's total embrace of the big corporate agenda," the Associated Press reported.

On Thursday, about 400 additional firefighters joined the 965 people struggling to bring under control the conflagration that's believed to have been caused by an illegal campfire six days ago.

The Forest Service estimates it may take three months to completely extinguish the Hayman blaze, located in the Pike National Forest southwest of Denver.

Thursday afternoon, the fire — which has burned 140 square miles, destroyed at least 22 houses and forced the evacuation of 5,400 people — still was only 5 percent contained, the Forest Service reported.

Humid, less windy weather Thursday allowed workers to make more aggressive attacks on the fire, said Rick Cables, the service's Rocky Mountain regional forester.

Here on the southern tip of the Hayman fire, evacuated residents milled around an outdoor bulletin board displaying an enormous map at the Forest Service's command center to see if fire had yet overtaken



M. SPENCER GREEN/ASSOCIATED PRESS

Fire Information Officer Marilyn Fagerstrom walks across a burned-out ridge in a subdivision outside Lake George, Colo.

their homes. Some turned away in tears.

Holding on to her composure was Virginia Halsey, a former Florida schoolteacher who described the home where she has spent the past 27 summers as "a retirement dream."

On Thursday afternoon, two days after evacuating with her husband and two cats, the fire line was a mile from her home

near Crystal Creek just outside the Pike National Forest.

"We just painted the house two weeks ago," she said. "What we need is a lot of luck. It looks like there's still room for us to have it."

Halsey and her family likely will return to Florida until next summer, she said. Other evacuees filled hotel rooms in Colorado Springs 40 miles east.

Inside the forest Thursday afternoon, firefighters scanned the south side of Pilot Peak for flying bits of hot timber that could bring the fire further south.

"It's so dry, so dry," said Paul Gransee, a firefighter from Mead, Colo. "You wet down an area real good, go to load up on more water, come back, and it's smoldering again."

Ponderosa pine and conifer that usually register a 25 percent fuel-moisture level are as low as 3 percent, firefighters said.

Prairie McLaughlin, 19, a shoveler from the Standing Rock Fire Department in Lakota-Sioux territory south of Bismarck, N.D., took a break to rest a twisted ankle.

About 40 other firefighters

*"It's so dry, so dry. You wet down an area real good, go to load up on more water, come back, and it's smoldering again."*

PAUL GRANSEE  
fire fighter from Mead, Colo.

from her reservation, including her cousin, were on the northern side of Pilot Peak. Her brother had to opt out of duty a few days earlier after developing a tear in his lung from breathing in smoke, she said.

Her voice barely was a whisper after two weeks of fighting fires across Colorado, but she said she was undaunted.

"I fell in love with this work," McLaughlin said. "You see pine trees literally explode in front of you. It's exciting."

Another firefighter, who asked not to be named, concurred.

"It may sound strange, but we want to be near the fire," he said. "Today is less busy, a little boring. Yesterday we were humping. It was fun. It was good."

The Hayman fire is one of seven burning in Colorado, including one near Glenwood Springs, 150 miles west of Denver, that had consumed almost 12,000 acres.

The Forest Service said it was 25 percent contained Thursday afternoon.

A fire in northeastern New Mexico, which has burned 91,000 acres, was 25 percent contained. About 1,200 firefighters were on the scene in Carson National Forest.

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