

Clear Creek/Central City Gregory Gulch #3 Pile Environmental Covenant Summary

Covenant ID: HMC0V00060

Covenant Information:

Covenant Date: April 28, 2008

Self Reporting: Yes

Media of Concern:

Surface Water: Yes

Groundwater: No

Air: No

Soil: Yes

Other: No

Contaminants of Concern: Metals

Property Restrictions:

1. Owner cannot disturb engineered structure without submitting a plan to the Colorado Department of Public Health and Environment

2.

3.

4.

Site Information:

ID: CCC

Name: Clear Creek / Central City Superfund OU4 - WRP - Gregory Gulch #3 Pile

Address: Bates Lode Claim MS# 13391

City: Central City

State: CO

Zip Code:

Legal Description:

Site Contact Information:

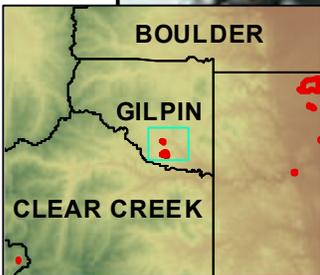
Name: William C. Russell, Jr.

Address: PO Box 161

City: Central City

State: CO Zip Code: 80427-0161

CCC OU4 WRP - Gregory Gulch



HMCOV00060





This property is subject to an Environmental Covenant held by the Colorado Department of Public Health and Environment pursuant to Section 25-15-321, C.R.S.

ENVIRONMENTAL COVENANT

William C. Russell, Jr. grants an Environmental Covenant ("Covenant") this 28th day of APRIL, 2008 to the Hazardous Materials and Waste Management Division of the Colorado Department of Public Health and the Environment ("the Department") pursuant to § 25-15-321 of the Colorado Hazardous Waste Act, § 25-15-101, *et seq.*, **for the sole purpose of accessing the remediated area on the Bates Lode Claim 13391, specifically the rock facing and retaining wall presented in the map as Exhibit B. The Department claims no interest in either the surface or mineral rights on this claim.** The Department's address is 4300 Cherry Creek Drive South, Denver, Colorado 80246-1530.

WHEREAS, William C. Russell, Jr. is the owner of certain property ("the Property") which includes an area commonly referred to as the **Bates Lode Claim MS# 13391**, and the Bates Lode Claim 13391, located in Gilpin County, Colorado, as legally described in Attachment A, attached hereto and incorporated herein by reference as though fully set forth.

WHEREAS, the Property is located within the Central City/Clear Creek Superfund Site Study Area ("Site"), which the U.S. Environmental Protection Agency ("EPA"), pursuant to Section 105 of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9605, placed on the National Priorities List, set forth at 40 C.F.R. Part 300, Appendix B, by publication in the Federal Register in 1983; and

WHEREAS, in the Central City/Clear Creek Superfund Site Operable Unit 4 Record of Decision dated September 29, 2004 (the "ROD"), the EPA Region VIII Regional Administrator selected a "remedial action" for the Site, which provides, in part, for the following actions:

- a. Mine waste pile remediation including erosion control measures, a retaining wall and the capping of the pile with a rock cover;
- b. Stream restoration/stabilization actions;
- c. Maintenance related to all construction components;
- d. Institutional controls (e.g., an environmental covenant) to ensure the long-term integrity of the remedial action; and

WHEREAS, the Property as described includes the portion where the above referenced remedial measures have been constructed on or around a mine waste rock pile, which includes remedial actions such as re-grading, construction of run-on/run-off control structures, placement of rock covers over mine waste or riprap along the base of mine waste piles and revegetation of disturbed areas. The actions may also include stream restoration/stabilization and sediment control measures. The area affected by these remedial actions is defined in Attachment B (hereinafter referred to as the "Subject Property"); and;



WHEREAS, pursuant to the ROD, the Subject Property is the portion of the Property where the remedial action will be constructed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601. et seq. ("CERCLA"); and

WHEREAS, the purpose of this Covenant is to ensure protection of human health and the environment by ensuring that constructed portions of the remedy remain intact and functioning as designed, and

WHEREAS, William C. Russell, Jr. desires to subject the Subject Property to certain covenants and restrictions as provided in Article 15 of Title 25, Colorado Revised Statutes, which covenants and restrictions shall burden the Subject Property and bind William C. Russell, Jr. and all parties having any right, title or interest in the Subject Property, or any part thereof, their heirs, successors and assigns, and any persons using the land, as described herein, for the benefit of the Department.

NOW, THEREFORE, William C. Russell, Jr. hereby grants this Environmental Covenant to the Department, and declares that the Subject Property shall hereinafter be bound by, held, sold, and conveyed subject to the following requirements set forth in paragraphs 1 through 10, below, which shall run with the Subject Property in perpetuity and be binding on William C. Russell, Jr. and all parties having any right, title or interest in the Subject Property, or any part thereof, their heirs, successors and assigns, and any persons using the land, as described herein. As used in this Environmental Covenant, the term OWNER means the record owner of the Subject Property and, if any, any other person or entity otherwise legally authorized to make decisions regarding the transfer of the Subject Property or placement of encumbrances on the Subject Property, other than by the exercise of eminent domain.

1) Use restrictions

- a) No person shall till, excavate, grade, construct, or take any other activity that disturbs the ground surface of the Subject Property without modification of this Covenant pursuant to paragraph 2, below.
- b) No person shall make any uses or take any activities that would in any manner interfere with or adversely affect the implementation, integrity, or protectiveness of the remedial measures to be performed at the Subject Property.
- c) No person shall prohibit or deny CDPHE personnel, including its representatives, agents and contractors, access to the Subject Property for the purposes of environmental sampling, inspecting the remedy, conducting maintenance, and inspecting OWNER'S compliance with this Environmental Covenant.

2) Modifications This Covenant runs with the land and is perpetual, unless modified or terminated pursuant to this paragraph. OWNER may request that the Department approve



a modification or termination of the Covenant. The request shall contain information showing that the proposed modification or termination shall, if implemented, ensure protection of human health and the environment. The Department shall review any submitted information, and may request additional information. If the Department determines that the proposal to modify or terminate the Covenant will ensure protection of human health and the environment, it shall approve the proposal. No modification or termination of this Covenant shall be effective unless the Department has approved such modification or termination in writing. Information to support a request for modification or termination may include one or more of the following:

- a) a proposal to perform additional remedial work;
 - b) new information regarding the risks posed by the residual contamination;
 - c) information demonstrating that residual contamination has diminished;
 - d) information demonstrating that an engineered feature or structure is no longer necessary;
 - e) information demonstrating that the proposed modification would not adversely impact the remedy and is protective of human health and the environment; and
 - f) other appropriate supporting information.
- 3) Conveyances OWNER shall notify the Department at least fifteen (15) days in advance of any proposed grant, transfer or conveyance of any interest in any or all of the Subject Property.
 - 4) Notice to Lessees OWNER shall incorporate either in full or by reference the restrictions of this Covenant in any leases, licenses, or other instruments granting a right to use the Subject Property.
 - 5) Notification for proposed construction and land use OWNER shall notify the Department simultaneously when submitting any application to a local government for a building permit or change in land use affecting the Subject Property.
 - 6) Inspections The Department shall have the right of entry to the Subject Property at reasonable times with prior notice for the purposes described in 1c. Nothing in this Covenant shall impair any other authority the Department may otherwise have to enter and inspect the Subject Property.
 - 7) No Liability The Department does not acquire any liability under State law by virtue of accepting this Environmental Covenant.
 - 8) Enforcement The Department may enforce the terms of this Covenant pursuant to §25-15-322. C.R.S. William C. Russell, Jr. may file suit in district court to enjoin actual or threatened violations of this Covenant.
 - 9) Owner's Compliance Certification OWNER shall execute and return a certification form provided by the Department, on an annual basis, detailing OWNER's compliance, and any lack of compliance, with the terms of this Covenant.



Accepted by the Colorado Department of Public Health and Environment this 25th day of June, 2008.

By: Gary W. Baughman
Title: Director, HAWMID

STATE OF COLORADO)
) SS:
COUNTY OF ARAPAHOE)

The foregoing instrument was acknowledged before me this 25 day of June 2008 by GARY BAUGHMAN on behalf of the Colorado Department of Public Health and Environment.

Claudette M. Ferris
Notary Public

4300 Cherry Creek Dr So
Address

Denver, CO 80246

My commission expires: October 21, 2011



**ATTACHMENT A
Tax Record Description**

Account: N010596

Location	Owner Information	Assessment History
Parcel Number	Owner Name RUSSELL WILLIAM C JR	Actual (2008) \$50
Tax Area 042 - TAX AREA 42-C.C. - 042	Owner Address PO BOX 161 CENTRAL CITY, CO 80427-0161	Assessed \$10
Situs Address		Tax Area: 042 Mill Levy: 32.515
Legal Summary MINE: BATES - 13391 2% 0.28 ACRES(P.T. NOT W/BLK 50 & LOT 1 BLK 52) GREGORY S: 12 T: 3S R: 73W		Type Actual Assessed Acres 5140 \$50 \$10 0.006
Business Name		
Transfers		

Tax History **Images**

Tax Year	Taxes
*2008	\$0.32
2007	No Tax Values

* Estimated

08/11/2008 03:38 PM 137074
 JESSICA LOVINGIER GILPIN COUNTY, CO
 Receipt #8944 Page 6 of 6
 129 COVENANTS TotalFee:31.25 DocFee:0.00






**EXHIBIT B
GREGORY GULCH NUMBER 3 WASTE ROCK PILE**

CENTRAL CITY/CLEAR CREEK SUPERFUND SITE

US Environmental Protection Agency & Colorado Department of Public Health and Environment

**Phase I Waste Rock Pile Remediation Project
Gilpin County, Colorado**

KEY



Use Restricted Area Per Covenant Description