

STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

1313 Sherman St., Room 215

Denver, Colorado 80203

Phone: (303) 866-3567

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January 27, 2014

Mr. John P. Ary
Fremont Paving & Redi-Mix, Inc.
839 Mackenzie Avenue
P.O. Box 841
Cañon City, CO 81215

Ms. Angela M. Bellantoni
Environmental Alternatives, Inc.
1107 Main St.
Cañon City, CO 81212

John W. Hickenlooper
Governor

Mike King
Executive Director

Loretta Piñeda
Director

**Re: Evans #2 Pit, File No. M-2000-041,
Third Adequacy Review for Amendment 1 (AM-01)**

Dear Mr. Ary and Ms. Bellantoni:

The Division of Reclamation, Mining and Safety (Division) has completed its adequacy review of your response to our January 9, 2014 adequacy letter received on January 16, 2014. The current **decision date** for this application is **January 31, 2014**. Please be advised that if you are unable to satisfactorily address any concerns identified in this review before the decision date, **it will be your responsibility to request an extension of the review period**. If there are outstanding issues that have not been adequately addressed prior to the end of the review period, and no extension has been requested, the Division will deny this application.

Any remaining inadequacies are identified under the respective exhibit heading along with suggested actions to correct them. The original numbering sequence is referenced for tracking purposes.

The following items must be addressed by the applicant in order to satisfy the requirements of C.R.S. 34-32.5-101 et seq. and the Mineral Rules and Regulations of the Mined Land Reclamation Board:

6.4.5 EXHIBIT E – Reclamation Plan

1. **Previous Items #13 and 13.a:** Item #4 in the Response to Second Adequacy stated approximately 700,000 cubic yards of material are currently available for backfill. As no information has been provided as to the current backfill volume or elevation in Phase I parcels 2 and 4, the Division must assume these are excavated to bedrock for the purpose

of estimating the required bond. The combined area of Parcels 2 and 4 is 105 acres (9+96, respectively). Assuming 22 feet of fill is required for all 105 acres, the Division estimates 3,726,800 cubic yards (CY) of fill are needed. If the site has only 700,000 CY available for backfill, approximately 3 million CY will need to be imported for backfill. The Division is currently assuming \$4.00/CY to import and place fill. This unit cost is based on typical costs, given the uncertain travel distance for imported fill material. The estimated cost just for the imported fill is just over \$12 million. Based on previous inspections the Division knows some backfill has been completed in Parcel 4 and not all of Parcel 2 was excavated. However, the depth and areal extent is unknown to the Division. As previously requested in our January 9, 2014 second adequacy review, please provide elevations for both parcels as shown in **Figure 1**. Otherwise the bond increase for interim reclamation may be significant. Please provide the following:

- a. Pit floor and current backfill elevations, and non-dewatered static groundwater elevation. This will information ensure the appropriate volumes are considered for the interim bond calculation.
- b. The Operator has committed to placing six inches of topsoil. Please also provide information on the currently unused/available topsoil/growth media.

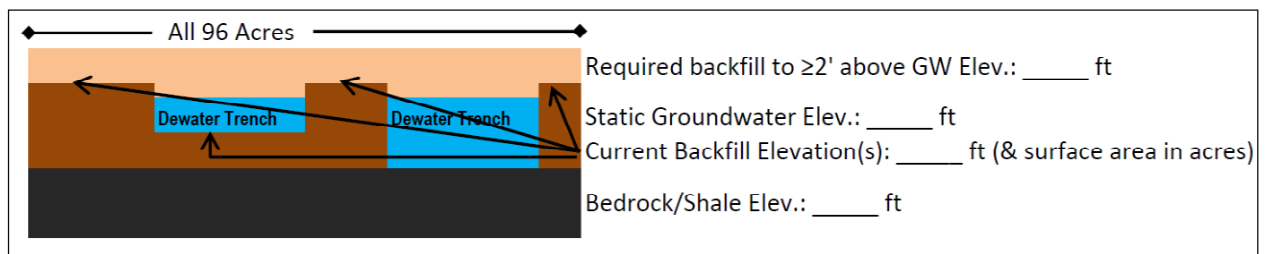


Figure 1. Elevations & Areas needed for BOND ESTIMATE.

6.4.12 EXHIBIT L – Reclamation Costs

2. **Previous Items #23.b and 23.e:** As previously requested in our January 9, 2014 second adequacy review, please provide the following:
 - a. Volume estimate and associated cost for completing backfill to the 2 or 3 feet above static, non-dewatering groundwater elevation.
 - b. A commitment (in writing) from the Operator to notify the Division and provide additional bond prior to entering the next phase of mining.

Other Concerns

3. **Previous Item #30.c:** As previously requested in our January 9, 2014 second adequacy review, please respond to Item 3a (previously 30.c) below:
 - a. Southwest Farms, Inc. – The letter to Southwest Farms included in the Response to Second Adequacy committed to groundwater monitoring and notification of land use changes. However, there was no discussion as to mitigation options should the impacts from dewatering continue to impact Southwest Farms or other nearby well users. The Division is tasked by Colorado statute C.R.S. 34-32.5-116(4)(h) to minimize the disturbance to the

Mr. Ary and Ms. Bellantoni

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prevailing hydrologic balance of the affected land and of the surrounding area and to the quantity of water in groundwater systems, both during and after the mining operation and during reclamation. Please provide some discussion on potential mitigation options and commit to implementing the necessary and practical means to mitigate impacts to the local groundwater system resulting from mine operations and dewatering activities.

The other responses in the Response to Second Adequacy are considered adequate.

Please remember that the decision date for this application is Friday, January 31, 2014. As previously mentioned if you are unable to provide satisfactory responses to any inadequacies prior to this date, **it will be your responsibility to request an extension of time to allow for continued review of this application.** If there are still unresolved issues when the decision date arrives and no extension has been requested, the application will be denied. If you have any questions, please contact me at (303) 866-3567, ext. 8169.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Tim Cazier', with a stylized flourish at the end.

Timothy A. Cazier, P.E.

Environmental Protection Specialist

cc: Tom Kaldenbach, DRMS
Angela Bellantoni, EAI
DRMS file