




MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

The Division of Reclamation, Mining and Safety has conducted an inspection of the mining operation noted below. This report documents observations concerning compliance with the terms of the permit and applicable rules and regulations of the Mined Land Reclamation Board.

MINE NAME: Big R Pit	MINE/PROSPECTING ID#: M-1988-052	MINERAL: Sand and gravel	COUNTY: Elbert
INSPECTION TYPE: Monitoring	INSPECTOR(S): Amy Eschberger	INSP. DATE: February 18, 2016	INSP. TIME: 12:50
OPERATOR: Estate of Rick L Hunt	OPERATOR REPRESENTATIVE: Jake Mateer	TYPE OF OPERATION: 110c - Construction Limited Impact	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$18,642.19	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: February 6, 2017	

GENERAL INSPECTION TOPICS

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. No problems or possible violations were noted during the inspection. The mine operation was found to be in full compliance with Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials and/or for Hard Rock, Metal and Designated Mining Operations. Any person engaged in any mining operation shall notify the office of any failure or imminent failure, as soon as reasonably practicable after such person has knowledge of such condition or of any impoundment, embankment, or slope that poses a reasonable potential for danger to any persons or property or to the environment; or any environmental protection facility designed to contain or control chemicals or waste which are acid or toxic-forming, as identified in the permit.

(AR) RECORDS----- <u>Y</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING----- <u>NA</u>	(SF) PROCESSING FACILITIES----- <u>NA</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>Y</u>	(CI) COMPLETE INSP---- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>NA</u>	(OD) OFF-SITE DAMAGE----- <u>Y</u>	(ST) STIPULATIONS----- <u>NA</u>

Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

This was a normal monitoring inspection of the Big R Pit (Permit No. M-1988-052) conducted by Amy Eschberger of the Division of Reclamation, Mining and Safety (Division). The site is located approximately 13 miles north of Elizabeth, Colorado in Elbert County. The site can be accessed from the east via Hunt Circle, which intersects Co Rd 29 to the east. It should be noted the northern permit boundary is directly adjacent to a 112c permit held by the same permittee, called Miller Gravel Pit, Permit No. M-1982-112. In scheduling the inspection, the Division learned the permittee, Rick L. Hunt, was deceased as of August 2015. Mr. Jake Mateer of Hunt Construction represented the permittee during the inspection.

This is a 110c operation permitted for 9.9 acres to mine sand and gravel (see enclosed Google Earth image showing permit area). The site is situated approximately 0.25 mile east of Horse Creek. A shop and office building for Hunt Construction and its associated parking lot is located just east of the permit area (**Photo 1**). A single-wide trailer and garage are located between the eastern permit boundary and the shop and office building (**Photo 2**). The mine operation commenced in the southeastern portion of the site and proceeded in a westward direction, forming the south pit. A smaller north pit was excavated in the northern portion of the site, on the other side of the dirt road which bisects the permit area. The maximum allowed mining depth is 25 feet. No material processing is to occur on site. Salvaged topsoil will be stored so that it will not be redisturbed by ongoing operations. During the Division's July 15, 2011 inspection, the operation was found to be mining in the wrong location. The approval of Amendment No. 1 (AM-01) moved the location of the permit area to the east so that it enclosed the affected lands.

The approved reclamation plan calls for grading all highwalls to 3H:1V or flatter, ripping stockpiling areas and any temporary haul roads, replacing an average depth of 6 inches of topsoil across disturbed land, and revegetating the site for a post-mining land use of rangeland. The existing dirt road that crosses the site is to remain after reclamation. It should be noted the grass seed mixture that was approved with the original application includes the species crested wheatgrass, which is considered to be incompatible with native grasses. The Division recommends the permittee contact the local Soil Conservation District to obtain a more up-to-date grass seed mixture for rangeland use in the area, which excludes crested wheatgrass. The revised revegetation plan should be submitted to the Division as a Technical Revision.

At the time of the inspection, it was sunny and cool with some snow cover remaining on the ground. The site was not active during the inspection. According to Mr. Mateer, the operation has completed mining activities at the site, and will proceed with final reclamation. An excavation is present in the southern portion of the site, with highwalls along its northern and southern edges (**Photos 3-6**). The highwalls of the southern pit are up to 15 feet in height, with slope gradients of approximately 1H:1V (**Photos 7 and 8**). Topsoil stripped from this area is stored along the pit perimeter, primarily along the northern edge (**Photo 9**). The smaller excavation that was present in the northern portion of the permit area has been backfilled, graded to nearly flat, and retopsoiled (**Photos 10-12**). Some native grasses and forbs have volunteered across this area, but the vegetative cover consists primarily of annual weeds. According to annual reports submitted by the permittee, this reclamation work was completed in 2014. It appears that a portion of the topsoil stockpile that was stored along the northern permit boundary remains, and is stable with vegetative cover (shown in **Photo 11**).

Because the site has been mined out and material stockpiles have been removed, the Division recommends the permittee complete final reclamation of the site as soon as possible. Pursuant to Rule 3.1.3, all reclamation shall be carried to completion with all reasonable diligence, and each phase of reclamation shall be completed within five years from the date the permittee informs the Division that such phase has commenced. According to the 2016 annual report, the date of last mining-related activity was May 16, 2015. This would give a deadline of May 16, 2020 for final reclamation of the site to be completed.

It should be noted the Division observed disturbance to the east of the permit area, south of the shop and office building. In reviewing historic images in Google Earth, this disturbance appears to have been present at least as early as 1998. On the site map submitted with AM-01 in 2011 (see enclosed site map), this area is labeled as "Weld County Well Location", and is not included in the permit area. Mr. Mateer indicated the disturbance was not related to the permitted mining operation, but the handlers of the Estate may wish to reclaim this area along with the facilities and stockpile area utilized by Hunt Construction before selling the land.

During the inspection, the Division inquired about who is handling Rick L. Hunt's affairs since he passed away. Mr. Mateer informed the Division that MidFirst Bank in Denver was handling Rick L. Hunt's Estate, which includes all of the affected land for this permit. After the inspection, the Division contacted Ms. Jennifer Sherman of MidFirst Bank and confirmed they were appointed as Personal Representative by the District Court of Elbert County to oversee the Estate of Rick L. Hunt. Ms. Sherman also informed the Division that Mr. Robert A. Lembke was appointed as Special Administrator in the Estate to operate the businesses of Rick L. Hunt, and would be the person to contact about any mining permits held in the name of the deceased. The Division met with Mr. Lembke and Mr. Mark Heifner (the permittee's consultant) on April 1, 2016 to discuss the matter. During this meeting, potential paths forward were discussed including, transferring the permit to an authorized entity of the Estate and completing final reclamation of the site. The Division recommended that the appropriate authority for the Estate of Rick L. Hunt submit documentation to the Division confirming that Rick L. Hunt is deceased, and proving that said entity is authorized to act on behalf of the Estate. Additionally, to keep the permit active, the authorized entity would need to continue filing the required annual reports, and maintain the financial warranty for the permit. The Division explained that failure to submit the required annual reports or maintain the required financial warranty may lead to revocation of the permit and forfeiture of the financial warranty. Mr. Lembke indicated his intention to maintain the permit until the handlers of the Estate decide what to do with the property, including the mine site.

It should be noted that on August 18, 2016, Ms. Sherman submitted documentation from the Elbert County District Court which proves that MidFirst Bank is authorized to act on behalf of the Estate of Rick L. Hunt. Also included was a certificate of authority which authorizes Ms. Sherman to act on behalf of MidFirst Bank, and a certificate of death for Rick L. Hunt.

PHOTOGRAPHS



Photo 1. View looking northeast, showing Hunt Construction shop and office building located east of permit area.



Photo 2. View looking north, showing single-wide trailer and garage located between eastern permit boundary and Hunt Construction shop and office building. Area to left (west) of dirt road is within permit area.



Photo 3. View looking east from western edge of excavation located in southern portion of permit area.



Photo 4. View looking west from northern edge of excavation located in southern portion of permit area.



Photo 5. View looking south from northern edge of excavation located in southern portion of permit area.



Photo 6. View looking east from northern edge of excavation located in southern portion of permit area.



Photo 7. View of southern highwall of excavation located in southern portion of permit area, with slope gradients of approximately 1H:1V.



Photo 8. View of northern highwall of excavation located in southern portion of permit area, with slope gradients of approximately 1H:1V.



Photo 9. View of topsoil stockpile stored at northern edge of excavation located in southern portion of permit area. Note stockpile stable with vegetative cover.



Photo 10. View looking northwest across disturbed area in northern portion of permit area that was backfilled, graded to near flat, and retopsoiled. Vegetative cover consists primarily of annual weeds, with some volunteer grasses and forbs.



Photo 11. View looking north across disturbed area in northern portion of permit area that was backfilled, graded to near flat, and retopsoiled. Vegetative cover consists primarily of annual weeds, with some volunteer grasses and forbs. Note portion of topsoil stockpile that remains along northern permit boundary (in background).



Photo 12. View looking northeast across disturbed area in northern portion of permit area that was backfilled, graded to near flat, and retopsoiled. Vegetative cover consists primarily of annual weeds, with some volunteer grasses and forbs.

Inspection Contact Address

Jake Mateer
43160 CR 17-21
Elizabeth, CO 80107

Robert A. Lembke
8301 E. Prentice Ave.
#100
Greenwood Village, CO 80111

Enclosures: Google Earth image showing permit area
Site map submitted with AM-01 in 2011

EC: Jennifer Sherman, MidFirst Bank (jennifer.sherman@midfirst.com)
Peter Hays, DRMS (peter.hays@state.co.us)
Wally Erickson, DRMS (wally.erickson@state.co.us)

M-1988-052 / Big R Pit / Estate of Rick L. Hunt

Red Outline = 9.9 acres = Approved Permit Area
(Image Data from 6/14/2016)

M1988-052

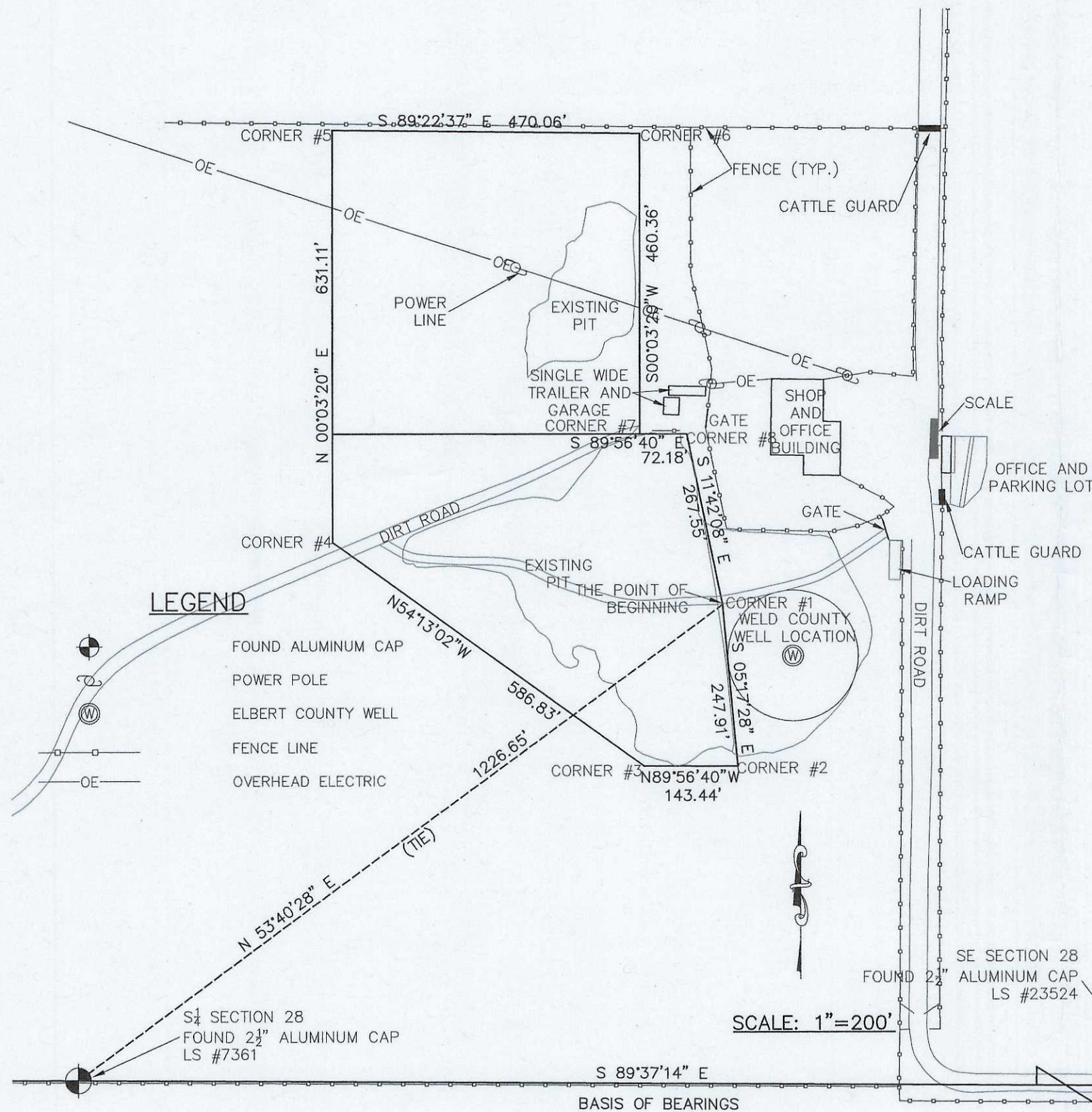
Google earth

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500 ft



BIG R PIT
A PARCEL OF LAND SITUATED IN THE SW $\frac{1}{4}$ SE $\frac{1}{4}$ SECTION 28
TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH PRINCIPAL MERIDIAN



PROPERTY DESCRIPTION:

A PARCEL OF LAND SITUATED IN THE SE $\frac{1}{4}$ SW $\frac{1}{4}$ SECTION 28, TOWNSHIP 6 SOUTH, RANGE 64 WEST OF THE 6TH P.M., COUNTY OF ELBERT, STATE OF COLORADO SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS.

COMMENCING AT THE S $\frac{1}{4}$ CORNER OF SAID SECTION 28, A 2-1/2" ALUMINUM CAP L.S. #7361 FOUND IN PLACE, WHENCE THE SE CORNER OF SAID SECTION 28, A 2-1/2" ALUMINUM CAP L.S. #23524 FOUND IN PLACE, BEARS S89°37'14"E THE BASIS OF BEARINGS FOR THIS DESCRIPTION; THENCE N53°40'28"E A DISTANCE OF 1226.65 FEET TO CORNER #1, THE POINT OF BEGINNING; THENCE S05°17'28"E A DISTANCE OF 247.91 FEET TO CORNER #2; THENCE N89°56'40"W A DISTANCE OF 143.44 FEET TO CORNER #3; THENCE N54°13'02"W A DISTANCE OF 586.83 FEET TO CORNER #4; THENCE N00°03'20"E A DISTANCE OF 631.11 FEET TO CORNER #5; THENCE S89°22'37"E A DISTANCE OF 470.06 FEET TO CORNER #6; THENCE S00°03'20"W A DISTANCE OF 460.36 FEET TO CORNER #7; THENCE S89°56'40"E A DISTANCE OF 72.18 FEET TO CORNER #8; THENCE S11°42'08"E A DISTANCE OF 267.55 FEET, TO CORNER #1 THE POINT OF BEGINNING. SAID PARCEL CONTAINING 9.990 ACRES MORE OR LESS.

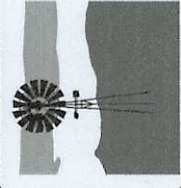
NOTES:

1. THIS PROPERTY IS SUBJECT TO RESERVATIONS, RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD OR IN PLACE.
2. THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE COMMITMENT AND HOMESTEAD SURVEYING, INC. MADE NO ATTEMPT TO RESEARCH ANY EASEMENTS.
3. DATE OF THIS SURVEY WAS NOVEMBER 4, 2011.



NOTICE: ACCORDING TO COLORADO LAW YOU MUST COMMENCE ANY LEGAL ACTION BASED UPON ANY DEFECT IN THIS SURVEY WITHIN THREE YEARS AFTER YOU FIRST DISCOVER SUCH DEFECT. IN NO EVENT MAY ANY ACTION BASED UPON ANY DEFECT IN THIS SURVEY BE COMMENCED MORE THAN TEN YEARS FROM THE DATE OF CERTIFICATION SHOWN HEREON.

HOMESTEAD SURVEYING INC.
P.O. BOX 877
CASTLE ROCK, CO 80104
TEL: (303) 877-4071
FAX: (303) 925-0547



REV.	DATE	DESCRIPTION	DRAWN

BIG R PIT
HUNT INVESTMENTS CO
43160 COUNTY ROAD 17-21
ELIZABETH, CO 80107

SCALE: 1"=200'

FILE NAME: 11-88-01-BASE

DATE: 11/5/11

DRAWN: JLA

JOB NO.: 11.88.01

SHEET NO.: 1 OF 1