



COLORADO

**Division of Reclamation,
Mining and Safety**

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

March 31, 2017

Mr. Andre Laroche
Continental Materials Corporation
444 E. Costilla St.
Colorado Springs, CO 80903

**Re: Daniels Sand Pit 2, Permit No. M-1973-007SG,
Documentation of Corrective Action(s) Received**

Dear Mr. Laroche:

On March 30, 2017 the Division of Reclamation, Mining and Safety received your response regarding two of the three Problems identified during the December 7, 2016 inspection conducted at the Daniels Sand Pit 2 and cited in the inspection report. The Division has changed the status of the Corrective Action associated with the following cited Problems to be resolved:

- a) Problem/Possible Violation: *Observed erosion rilling and portions of over steepened slope on the southwest embankment outer face of the current wash pond reducing the erosional stability and potentially the geotechnical stability of the embankment.*

The Operator submitted photographs showing additional material placed on the outside face of the southwest embankment to achieve a slope of approximately 3H:1V. Therefore, this Problem is considered resolved.

- c) Problem/Possible Violation: *Observed portions of over steepened slope on the southwest embankment outer face of the current wash pond potentially reducing the geotechnical stability of the embankment.*

The Operator submitted photographs showing the installation of a piezometer, the piezometer borelog showing the water level below the embankment toe and an engineering evaluation of the embankment stability indicating the slope is stable. Therefore, this Problem is considered resolved.



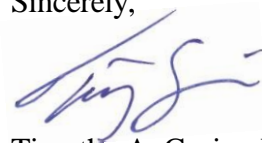
Mr. Andre Laroche

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If you have any questions or need further information, please contact me at (303)866-3567 x8169.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Tim Cazier', is positioned above the printed name.

Timothy A. Cazier, P.E.

Environmental Protection Specialist

ec: DRMS file
Jerry Schnabel, Continental Materials Corporation
Brandon Heser, Continental Materials Corporation