


**COLORADO**Division of Reclamation,  
Mining and Safety

Department of Natural Resources

**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.

<b>MINE NAME:</b> Valley's Edge Resource	<b>MINE/PROSPECTING ID#:</b> M-2016-030	<b>MINERAL:</b> Gravel and Sand	<b>COUNTY:</b> Weld
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Peter S. Hays	<b>INSP. DATE:</b> December 1, 2017	<b>INSP. TIME:</b> 14:00
<b>OPERATOR:</b> Brannan Sand and Gravel Company, L.L.C.	<b>OPERATOR REPRESENTATIVE:</b> Alex Schatz	<b>TYPE OF OPERATION:</b> 112c - Construction Regular Operation	

<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> Complete Bond	<b>BOND AMOUNT:</b> \$873,550.00
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> December 13, 2017

**The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.**

**INSPECTION TOPIC:** Hydrologic Balance

**PROBLEM/POSSIBLE VIOLATION:** Problem: The Division has no evidence the Operator has a valid gravel well permit, substitute water supply plan (SWSP) or approved water augmentation plan for the exposed groundwater at the site. This is a problem related to Section 34-32.5-116(4)(h) of the Colorado Revised Statutes and Rule 3.1.6(1)(a) of the Construction Materials Rules and Regulations governing injury to existing water rights.

**CORRECTIVE ACTIONS:** The Operator shall demonstrate the operation is in compliance with the Office of the State Engineer (SEO), show evidence the Operator is taking measures to bring the site into compliance with the SEO, or backfill the mined areas below the groundwater level to at least two feet above the groundwater surface by the corrective action date.

**CORRECTIVE ACTION DUE DATE:** 1/12/18

**INSPECTION TOPIC:** Signs & Markers

**PROBLEM/POSSIBLE VIOLATION:** Problem: The mine identification sign posted at the entrance of the mine site did not include the permit number for the site. This is a problem for failure to post a mine identification sign as required by Rule 3.1.12(1).

**CORRECTIVE ACTIONS:** The Operator shall, at the entrance of the mine site, post a sign which shall be clearly visible from the access road with the following: the name of the operator, a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and the permit number. The Operator shall submit photo documentation a proper sign has been posted by the corrective action date.

**CORRECTIVE ACTION DUE DATE:** 1/12/18

## **OBSERVATIONS**

The Valley's Edge Resource site was inspected by Peter Hays with the Division of Reclamation, Mining and Safety (Division/DRMS) in response to the submittal of a technical revision request by the Operator. Mr. Alex Schatz with Brannan Sand and Gravel Company (Brannan) was present during the inspection.

The Operator submitted the technical revision request (TR-01) on November 9, 2017. The Division is required by Rule 1.9 to act on a technical revision within 30 days after being filed with the Division. The technical revision proposed to update the following aspects of the approved Mine Plan:

- Allow for the construction and operation of concrete and asphalt batch plants
- Relocation of the process water recycling pond
- Allow for the dewatering of the mine phases by pumping groundwater
- Submittal of a structure agreement for a new gas pipeline along the southern boundary
- Update the source of replacement water contract
- Update the local jurisdiction for the permitted land
- Update the location of the processing plant at the site

Additionally, the technical revision describes the separate acreage release request (AR-01) submitted separately by the Operator on November 13, 2017.

The Valley's Edge Resource is an 112c construction materials operation permitted for 189.66 total acres. The mine site is a former feedlot and degraded pasture located in the South Platte River valley in Weld County. The sand and gravel deposit ranges from 20 feet to 30 feet in depth. The site will be dry and wet mined from north to south along the western portion of the site in four mining phase. The groundwater depth is expected between 20 to 25 feet below grade. Each mining cell is expected to take one to three years of continuous mining activity to complete. The life of mine is estimated at 4 to 12 years.

The site was operational during the inspection. The processing plant was not operating due to a maintenance issue with the plant, but material stockpiles were located in the plant area. The extraction of material was occurring in the western portions of Phases 1A and 1B by front-end loader and excavator. The material was transported to the processing plant by a conveyor system. The mine phases were being dewatered by pumping groundwater from the phases to the process water pond. Process water trenches and several sedimentation ponds were observed during the inspection. No more than 5 acres of exposed groundwater are allowed at one time. The mined areas will be backfilled with on-site material below groundwater elevation and with imported inert fill above the groundwater elevation. No backfilled areas were observed during the inspection. The Operator stated off-site inert fill has not been brought into the site. The site will be backfilled to approximate pre-mining elevations. The approved post mining land use is commercial/industrial. The entire area in Phase 1A and 1B were stripped of topsoil and overburden prior to the initiation of mining excavation and processing plant assembly. A large stockpile of topsoil was observed east of the processing plant and adjacent to the eastern permit boundary.

The Operator committed to providing the Division with a copy of the approved Substitute Water Supply Plan (SWSP) and Gravel Well Permit issued by the Colorado Division of Water Resources (DWR) prior to exposing groundwater during the permit review. The well permit and SWSP were not submitted to the Division prior to the Operator exposing groundwater. The Operator stated during the inspection they obtained the well permit and SWSP, but failed to submit the permits to the Division. As cited as a problem above, the Division will require the Operator to demonstrate the operation is in compliance with the Office of the State Engineer, show evidence the Operator is taking measures to bring the site into compliance with the SEO or backfill the mined areas below the groundwater level to at least two feet above the groundwater surface by the corrective action date.

The mine sign located at the site entrance did not indicate the DRMS permit number assigned to the site as required by Rule 3.1.12(1). As cited as a problem above, the Division will require the Operator update the mine sign with the permit number. The Operator shall submit photo documentation sign is updated by the corrective action date. The affected boundary markers were installed as required by Rule 3.1.12(2).

The Division currently holds a financial warranty in the amount of \$873,550.00, which appears adequate to complete reclamation at the site. Photographs taken during the inspection are attached. Technical revision no. 1 (TR-01) was approved by the Division on December 11, 2017. The Operator was notified of the approval under separate cover.

## PHOTOGRAPHS



Valley's Edge Resource mine sign without a permit number



View of the process water pond located in the northwest corner of the site





View of the mining activity from the NW corner of Phase 1A looking south at the western portion of Phases 1A and 1B



View of the mining activity from the NW corner of Phase 1A looking southeast at the western portion of Phases 1A and 1B





View of the mining activity from the NW corner of Phase 1A looking east at the western portion of Phases 1A and 1B



View of the installation of the DJ Services gas pipeline along the southern permit boundary

### GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

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

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

#### Inspection Contact Address

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