

Fax: 303-279-6216 www.apc.us.com

The Sign of Quality

June 25, 2018

Department of Natural Resources Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

RE: Status Report; APC Construction Co – Ralston Quarry

Mr. Scott,

On Monday morning, June 11, 2018, we received a call from the Denver Water Board reporting that a slide had happened on our property. They stated that their inspector had not noticed anything at approximately 11am on Sunday, but the slide had happened by 7:30am on Monday. After receiving the report, representatives from APC Construction Co evaluated the site. We determined that based on the volume of material we would check into the availability of an outside earth moving contractor to help with the remediation. We contacted Ames Construction and met with two representatives from their organization on Tuesday, June 12th. They had some equipment and operators available and could begin mobilization to the site on Wednesday.

APC Construction Co has never done any mining in this area but early in the mining process overburden material had been placed on the slope. Stabilization of the area and safely addressing the situation were our first priorities.

On Wednesday afternoon Ames Construction spent approximately 2-hours working to relieve some pressure at the bottom of the slide area to begin remediation. On Thursday and Friday, they had limited assets on site but began the initial emergency remediation in order to work towards clearing the bottom of the slide and stabilizing the area. On Monday, June 18th, Ames Construction began full operation to begin moving the slide material to an area that was much flatter in contour and would not create any risk of the material moving.

On Tuesday, June 19th, Karlene Thomas from Pinyon Environmental viewed the site and made some suggestions with regard to stormwater detention while the work was proceeding. At that point we asked her for a recommendation on a geotechnical engineer who could work with us to review the site after this initial work is complete. We are also checking several other sources for qualified professional to help us put this area in a final configuration.

It is now our understanding from our meeting onsite today, that it will necessary to file a remediation plan with you and to receive input with regard to finalizing the remediation and reclamation.









We have attached some photographs of the area and an estimate of cubic yards that have been moved to date.

We will file a second status report in a week

Please feel free to call if you have any questions, 303-434-1668.

Thanks,

Stanley C. Opperman

Vice President – Operations APC Construction Co., LLC











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July 2, 2018

Department of Natural Resources Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

RE: Status Report; APC Construction Co – Ralston Quarry

Mr. Scott,

Work progressed through the week of June 25th using the same equipment and continuing to move slide material. We have attached several photos from Friday June, 29th showing the area. We are within a couple of shifts of having all of the slide material moved and the ground shaped at the original level of native material. The water board opened the road on June 22nd.

For the week of July 2^{nd} we plan on shaping the perimeter of the slide area and creating some detention ponds that were taken out by the slide.

We met on site with a geotechnical engineer and evaluated the area. He will be providing a proposal of what he feels would be the best approach going forward. We will have that proposal by the end of this week and will make a decision on using his services or doing other interviews.

Pinyon Environmental is scheduled to do quantification and an aerial view of the site on July 7th.

Please feel free to call if you have any questions, 303-434-1668.

Thanks,

Stanley C. Opperman

Vice President – Operations











14802 W 44th Avenue Golden, Colorado 80403 Office: 303-279-6611 Fax: 303-279-6216

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The Sign of Quality

July 9, 2018

Department of Natural Resources Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

RE: Status Report; APC Construction Co – Ralston Quarry

Mr. Scott,

As of July 6th, 2018 APC has ceased grading operations on the slide area. AMES construction removed the slide overburden material down to a layer of natural clay. They also re-established detention areas and created channeling to direct any stormwater to the detention. We have monitored the slide area and in the last week have had no movement at the top of the slide area and it has been two weeks since any movement has occurred at the bottom of the slide area. Based on having relocated the slide material and the stabilizations of the area we have ceased operations and will continue to monitor the area while we work towards an engineered solution.

Pinyon-environmental has been contracted to do the survey and measurement of the area, due to a schedule conflict that work will be completed on Thursday, July 12th.

We are including several photos of the area as of the end of last week and have included the quantities of material moved

Please feel free to call if you have any questions, 303-434-1668.

Thanks,

Stanley C. Opperman

Vice President – Operations APC Construction Co., LLC











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The Sign of Quality

July 16, 2018

Department of Natural Resources Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

RE: Status Report; APC Construction Co – Ralston Quarry

Mr. Scott,

During the week of July 9th, APC continued to monitor the slide area. None of the stakes that we have placed have shown any movement during the week. We dug several potholes and starting Monday the 9th we saw the first signs of some water migration on the site. On Wednesday the 11th, the lowest hole had collected one-foot of water. Water is also starting to leach out of the bottom into the existing draw. We dug these potholes in order to try to isolate any water moving through the site. It is our intent to formulate a plan to channel this water if we find it has a consistent flow pattern. We have included two photos showing the water in the collected areas.

On Thursday July 12th, Pinyon was on site with their drone. The area was flown in order to calculate the slide area and this information should be available by our next report.

On Monday July 16th we met with a second engineering company to evaluate the site. They reviewed the site and will be working on an approach for remediation.

Please feel free to call if you have any questions, 303-434-1668.

Thanks,

Stanley C. Opperman

Vice President – Operations











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The Sign of Quality

July 23, 2018

Department of Natural Resources Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

RE: Status Report; APC Construction Co – Ralston Quarry

Mr. Scott,

For the week starting Monday July 16th, APC Construction continued to monitor the test holes on the site along with the stakes. Some water was observed in the test holes and appears to be moving through the site. None of the stakes showed any indication of ground movement although some sloughing of dry material was observed towards the top of the slide.

On Thursday July 19th a representative at Division of Reclamation Mining and Safety, Eric Scott, made a site visit. He was accompanied by APC representative, Curt Wilson. Mr. Scott took photos, did some measuring and walked the site. APC Construction received the area calculations from the slide and disturbed area from Pinyon-Environmental and submitted them on the morning of July 19th to Division of Reclamation Mining and Safety.

Jim Kowalsky PE of Ground Engineering recommended that we move some additional lose material inside the upper area of the original slide. This material was left in place waiting on a recommendation from the engineer. Starting today July 23rd, we started to move that material; we expect to complete that operation in several shifts this week.

Please feel free to call if you have any questions, 303-434-1668.

Thanks,

Stanley C. Opperman

Vice President – Operations APC Construction Co., LLC











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The Sign of Quality

July 30, 2018

Department of Natural Resources Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

RE: Status Report; APC Construction Co – Ralston Quarry

On Monday July 23rd, APC received a certified letter from Division of Reclamation, Mining and Safety. The letter contained two citations and a description based on Mr. Scott's understanding of the situation. We are working on a response to provide the Mine Land Reclamation Board prior to the hearing.

Based on the recommendation of Ground Engineering on Monday, the 23rd we started to move some additional loose material in the upper portion of the slide area. The operation consisted of several days of dozing lose material down to native ground and then picking it up with scrapers and moving it out of the slide area. During this week we had a number of rain falls so we have noted increased water activity in our potholes and trenches and some settling of existing material in the slide area. We expect this grading operation to be complete by Friday, July 27th.

On Thursday, July 26th, Ground Engineering sent a geologist to the site. Ground's first visit included two professional engineers that reviewed the site. This visit was for additional site monitoring, evaluation of the additional grading work, and putting a plan in place for drilling locations. Ground engineering is scheduling the drilling which may be accomplished during the week of July 30th.

Ground engineering has estimated that their report and recommendations will be available in approximately three weeks.

Thanks,

Stanley C. Opperman

Vice President – Operations











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The Sign of Quality

August 6, 2018

Department of Natural Resources Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

RE: Status Report; APC Construction Co - Ralston Quarry

On Friday, July 27th Ames construction completed a week's worth of grading operations. This moved loose material from the upper portion of the slide and removed material that was placed in order to create a haul road for the scrapers. The work in the slide area was recommended by Ground Engineering and appears to have been successful as we have seen no movement in the slide area since completion of this work. Water continues to leach out of the lower part of the slide area.

On Monday, August 6th, ground Engineering had a geologist on site. He toured the areas adjacent and above the slide area and did not note anything unusual. He also evaluated the slide area and marked locations for five test holes that will be drilled on Tuesday, August 7th.

Thanks,

Stanley C. Opperman

Vice President – Operations











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August 13, 2018

Department of Natural Resources Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

RE: Status Report; APC Construction Co – Ralston Quarry

Following the Ground Engineering evaluation on Monday, August 6th, drilling operations for the test holes began on Tuesday, August 7th. Test holes were installed five different locations in and surrounding the slide area. The holes were drilled to a depth of 20-30 feet and plastic pipe was installed so they can be monitored. Soils were extracted and will be analyzed by Ground Engineering.

Also on Tuesday, August 7th, APC met with two representatives from Greg Lewicki and Associates. After an office consultation we toured the site. They will be assisting in filing a permit amendment to incorporate additional area into the mining boundary. They will also be involved with coordination between themselves and Ground Engineering and working towards final resolution and reclamation of the slide area.

As described in this report, a number of different people with various areas of expertise were on the site during the week of August 6^{th} . We also did our internal monitoring. All parties agreed the slide area appears to stable and we continue to observe some water leaching at the very bottom of the slope.

On Friday August 10th, APC received a response to the request for a continuance until the September MLRB board meeting. We appreciate this consideration due to the amount of information that will be necessary to be gathered in order to completely remediate the situation.

Thanks,

Stanley C. Opperman

Vice President – Operations











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The Sign of Quality

August 20, 2018

Department of Natural Resources Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

RE: Status Report; APC Construction Co – Ralston Quarry

During the week of August 13th, APC, Ground Engineering and Lewicki and Associates coordinated to put information together for technical revision number 1. Greg Lewicki met with Eric Scott on August 14th to discuss the details of our plan to provide a geotechnical report and an amendment to the mining permit.

No activity took place on the actual site with the exception of monitoring. The site received some rain during the week and temporary erosion control measures performed well. No movement was noted on the site and all the slopes continue to maintain stability.

Thanks,

Stanley C. Opperman

Vice President – Operations











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The Sign of Quality

August 27, 2018

Department of Natural Resources Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

RE: Status Report; APC Construction Co - Ralston Quarry

On Monday august 20th, we submitted a technical revision to the DRMS it was emailed and sent by mail with appropriate application and fee.

We talked to Ground Engineering to verify that their soil testing, monitoring and required calculations were on track to provide our geotechnical report. Ground Engineering also sent a representative to the site to monitor the test holes on Friday, August 24th.

APC Construction did some onsite grading at the new fill area. Lewiki and Associates thought we should flatten the front of the fill to a 3 to 1 slope. We also did some minor grading for erosion control as well as checked our existing devices.

On Friday, August 24th, APC was able to schedule a surveyor for the following week to establish elevation and position for the test holes and monitoring stakes.

All the slopes continue to show good stability.

Thanks,

Stanley C. Opperman

Vice President – Operations









North							Middle							South						
Line A Point No	Station	Offset	Northing	Easting	Elevation	Slone (%)	Line B Point No	Station	Offset	Northing	Easting	Elevation	Slone (%)	Line C Point No	Station	Offset	Northing	Easting	Elevation	Slope (%)
257	0+12.27	-47.38	1724359.38	3072162.56	6112.30	Siope (70)	259	0+07.28	-0.10	1724311.84		6114.66	310pe (70)	262	0+00.00	52.14	1724259.14		6117.12	
256	0+12.27	-47.35	1724353.38	3072102.30	6114.69	12.46	258	0+07.28	0.05	1724311.84		6115.88	7.68	261	0+00.00	52.14	1	3072133.83	6118.05	6.52
255	0+54.15	-47.73	1724363.73	3072204.22	6122.91	36.21	253	0+54.26	-0.12	1724315.21		6127.72	38.12	260	0+34.52	52.02	1724262.56		6121.72	18.07
254	0+60.82	-47.46	1724364.10	3072210.88	6127.41	67.47	300	0+57.64	0.00	1724316.55		6126.54	-34.97	200	0+49.05	52.30		3072208.68	6127.99	43.17
400	0+65.04	-47.38	1724364.41	3072215.08	6126.28	-26.78	252	0+76.76	0.09	1724318.28		6126.09	-2.34	250	0+71.64	52.37	1724265.75		6126.57	-6.27
246	0+87.47	-47.42	1724366.59	3072237.41	6125.41	-3.88	251	0+86.12	-0.13	1724319.40			17.86	249	0+85.85	52.41	1724267.06		6130.93	30.65
245	1+05.07	-47.67	1724368.52	3072254.91	6130.94	31.42	247	1+23.99	-0.02	1724322.89		6138.01	27.07	248	1+17.95	52.45	1724270.08		6138.61	23.93
244	1+53.49	-47.61	1724373.08	3072303.11	6139.93	18.57	241	1+63.76	0.02	1724326.64		6145.68	19.29	240	1+55.18	52.41	1	3072314.34	6146.75	21.86
243	1+72.98	-47.64	1724374.97	3072322.52	6148.35	43.20	234	2+22.98	-0.06	1724332.38		6154.52	14.92	239	1+80.66	52.59	1724275.93		6155.99	36.27
242	1+82.87	-47.67	1724375.94	3072332.36	6147.38	-9.81	231	3+21.99	-0.13	1724341.89		6178.44	24.16	238	2+06.45	52.81	1724278.16		6162.10	23.70
233	2+22.73	-47.74	1724379.81	3072372.02	6154.30	17.36	223	3+72.36	0.08	1724346.48		6192.93	28.76	237	2+30.66	52.77	1724280.52		6164.21	8.70
232	3+17.72	-47.82	1724388.95	3072466.57	6177.85	24.79	222	3+97.79	-0.02	1724349.00		6198.08	20.26	236	2+49.23	52.87	1724282.18		6168.95	25.50
227	3+68.06	-48.06	1724393.99	3072516.66	6189.74	23.62	214	4+73.68	-0.20	1724356.41		6220.57	29.64	235	2+51.52	52.97	1724282.31		6167.43	-66.03
226	3+80.33	-47.98	1724395.08	3072528.89	6197.24	61.12	213	4+95.78	-0.10	1724358.42		6222.33	7.95	230	3+17.59	53.14	1724288.43		6177.30	14.93
225	3+84.40	-48.33	1724395.82	3072532.90	6196.56	-16.71	212	5+16.51	0.08	1724360.22	3072669.03	6226.41	19.68	229	3+26.34	53.37	1724289.04	3072484.81	6181.53	48.43
224	3+96.58	-47.92	1724396.57	3072545.06	6196.25	-2.55	211	5+19.07	0.02	1724360.53	3072671.57	6229.32	113.83	228	3+36.75	53.05	1724290.36	3072495.13	6182.78	11.94
215	4+81.46	-48.33	1724405.07	3072629.52	6223.30	31.87	209	5+78.52	0.16	1724366.06	3072730.76	6253.59	40.83	221	3+72.34	53.21	1724293.59	3072530.58	6194.45	32.81
210	5+39.01	-48.39	1724410.62	3072686.80	6242.01	32.51	205	6+50.76	-0.09	1724373.20	3072802.65	6281.70	38.91	220	3+87.32	53.26	1724294.97	3072545.49	6194.57	0.79
403	5+95.69	-48.64	1724416.27	3072743.19	6261.60	34.56	204	6+52.40	-0.18	1724373.44	3072804.27	6288.25	399.39	219	4+11.61	53.38	1724297.17	3072569.69	6200.56	24.64
401	6+12.92	-48.58	1724417.86	3072760.36	6266.79	30.12	203	6+75.38	-0.05	1724375.50	3072827.16	6298.67	45.32	218	4+27.34	53.41	1724298.64	3072585.35	6209.76	58.49
402	6+14.15	-48.72	1724418.12	3072761.57	6271.61	391.87	301	7+39.26	0.00	1724381.54	3072890.75	6328.73	47.07	217	4+46.22	53.60	1724300.25	3072604.16	6211.97	11.74
404	6+37.14	-48.68	1724420.27	3072784.46	6279.67	35.06								216	4+76.56	53.57	1724303.17	3072634.36	6223.15	36.84
405	6+38.83	-48.69	1724420.44	3072786.14	6282.96	194.67								208	5+52.79	53.86	1724310.15	3072710.27	6248.83	33.69
406	6+73.70	-48.74	1724423.81	3072820.85	6298.50	44.57								207	6+19.07	54.27	1724316.06	3072776.29	6269.31	30.90
407	7+39.23	-48.82	1724430.14	3072886.07	6329.02	46.57								206	6+24.08	54.05	1724316.76	3072781.25	6278.76	188.52
														202	6+71.01	54.13	1724321.16	3072827.98	6300.89	47.16
									-					201	7+30.07	54.43	1724326.49	3072886.80	6327.99	45.87

Stationing based on a line between points #300-#301, extended. Point #300 is assigned Station 0+57.64