




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

The Division of Reclamation, Mining and Safety 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: Lost Creek Mine	MINE/PROSPECTING ID#: M-2018-051	MINERAL: Sand	COUNTY: Weld
INSPECTION TYPE: Pre-Operation Inspection	INSPECTOR(S): Peter S. Hays	INSP. DATE: August 21, 2019	INSP. TIME: 10:00
OPERATOR: Black Mountain Sand Weld LLC	OPERATOR REPRESENTATIVE: Brittany Schamaun, Kira Coff	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Pre-Operation Inspection	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: No Bond Held	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: September 12, 2019	

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

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

OBSERVATIONS

This was a pre-operational inspection of the Lost Creek Mine conducted by Peter Hays with the Division of Reclamation, Mining and Safety (Division/DRMS) for a construction materials regular (112) operation reclamation permit application amendment (AM-01). Ms. Brittany Schamaun with Black Mountain Sand Weld LLC and Ms. Kira Coff with Millcreek Engineering were present during the inspection.

The 112c application amendment was received by the Division on June 10, 2019. The application amendment was deemed complete by the Division on July 11, 2019. The decision date for the application amendment is October 9, 2019. Four (4) objections were received for the original application and the application amendment. Pursuant to Rule 1.4.9 if timely objections are received the Office shall schedule the permit application for a hearing before the Mined Land Reclamation Board, provide all parties notice of the any Pre-Hearing Conference and issue a recommendation to the Board for approval, approval with conditions or denial of the application.

The permit application amendment proposes a 2,215.59 acres site on private land. The land containing the proposed mining operation is owned by Black Mountain Land Company, LP. The site is located approximately 10.5 miles northeast of Roggen, CO in Weld County. The Operator intends to mine industrial proppant sand for primary use in hydraulic fracturing. The site would consist of an open pit mining operation and on-site facilities. The on-site facilities would include a wash processing plant, fueling station and ready line, office and maintenance/warehouse building and a loadout facility. The permit boundary would be offset by at least 200 feet from the affected lands boundary. The offset area would consist of undisturbed land covered in natural vegetation.

The proposed post-mining land use is rangeland, which is the current land use. The active mining areas would be reclaimed concurrently with the mining operation. The unsaleable sand would be inert and used as backfill material in previously mined areas. Earthmoving would be done primarily with excavators, dozers and front-end loaders. Compaction of the backfilled material would be achieved by truck compaction. The backfilled and regraded mined areas would be contoured to match the natural undisturbed topography of the surrounding lands at approximately 5H:1V grades. Stockpiled topsoil would be spread over the areas at a depth of twelve (12) inches, the area would be disced or ripped and seeded with the approved seed mixture. Straw crimping would be completed per Weld County recommendations.

The site consisted of undisturbed rangeland as described by the Applicant in the permit application amendment. Permanent man-made structures, which were not identified by the Applicant in the permit application amendment were observed during the inspection. The presence of the unidentified structures was address by the Division in the adequacy review letter dated August 27, 2019. The required notice signs were observed along County Road 91. The Operator will be required to install a mine sign and boundary markers as required by Rule 3.1.12 prior to initiating mining operations.

Photographs taken during the inspection are attached. If you need additional information or have any questions, please contact me at Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at 303.866.3567 x 8124, or by email at peter.hays@state.co.us.

PHOTOGRAPHS



Typical notice sign along County Road 61



View of site from the NW corner of the NE quarter section of Section 3 looking south



View of site from the NW corner of the NE quarter section of Section 3 looking west



View of site from the NE corner of the NE quarter section of Section 3 looking south



View of site from the NE corner of the NE quarter section of Section 3 looking southwest



View of site from the NE corner of the NE quarter section of Section 3 looking west



View of site from the NE corner of the SE quarter section of Section 3 looking southwest



View of typical stock pond on the site



View of site from the SE corner of Section 11 looking north



View of site from the SE corner of Section 11 looking northwest



View of site from the SE corner of Section 11 looking west



View of site from the NE corner of the SE quarter section of Section 11 looking south



View of site from the NE corner of the SE quarter section of Section 11 looking southwest



View of site from the NE corner of the SE quarter section of Section 11 looking northwest



View of site from the NE corner of the SE quarter section of Section 11 looking north

Inspection Contact Address

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