

**Additional Pages**  
**2019 Annual Report**  
**Fountain Pit**  
**M-1982-155**  
**Schmidt Construction Company**  
**Anniversary Date: December 31**

**Over Excavation:** In the past year it was discovered that a lot of material was being left in the floor of the pit. This appears to be a result of the bottom of the deposit descending faster to the southeast than the surface descends in the same direction. It was assumed that they would be more or less parallel. They are not. Thus, rather than expanding the pit southward, mining is occurring in the floor of the previously mined area. The depth of this mining is on the order of another 10 feet. These pits will be expanded in the future to occupy much more of the floor from the plant site to the south. This will maximize recovery without creating a larger pit, at least for awhile. It is not known at this time whether this process will be expanded northward from the plant site, but that is possible. This will have no impact on backfill processes other than to make the slope reduction a bit longer when that occurs. There is no lack of overburden to do the backfilling that is needed.

**Washing System being reinstalled:** Back in 1998 and 1999 there was a technical revision approved to allow for a product washing system to be installed. That worked nicely until the 2002 major drought occurred and the water source dried up. Schmidt has now found a new water source at the Nixon Power Plant just to the south of the pit. The water is tail water from the cooling system and some of that water will be purchased from Colorado Springs at a very reasonable price. Thus, there will be no need for augmentation as was the case before when water was acquired from an alluvial source located on a ranch the parent company of Schmidt owns along the stream that runs through Ft. Carson enroute from the mountains to Fountain Creek. That source never really recovered from the drought.

The washing system will be established in the vicinity of the processing plant at the pit. Over excavation basins (described above) that are located near the edge of the pit can be used for storage and recycling as well as sedimentation. The sedimentation pits will default to backfill as was the case before and being at the edge of the pit can be incorporated into the slope reduction when that occurs during reclamation. This also keeps sedimentation pits near the edge of the pit rather than in the middle so mushy spots will be kept near the edge of the pit where development is less likely to occur in the future, if that happens at some point.

Locations of pits and the wash plant will be noted on the map and provided as they are developed and that information will be provided to the Division as it becomes available. So, basically this is a reinstatement of a prior technical revision that has not been used in many years because of a lack of available water to do the washing. There was never any intent to abandon that use even though it had to be halted because washing at the pit was not possible. Product washing has been done in Colorado Springs where water is available at Schmidt's yard there. That is simply being shifted to the pit now that water is available once again.