




**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.

<b>MINE NAME:</b> Western Sugar Project	<b>MINE/PROSPECTING ID#:</b> M-2010-049	<b>MINERAL:</b> Gravel and sand	<b>COUNTY:</b> Weld
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Peter Hays	<b>INSP. DATE:</b> December 12, 2019	<b>INSP. TIME:</b> 10:00
<b>OPERATOR:</b> Varra Companies, Inc.	<b>OPERATOR REPRESENTATIVE:</b> Brad Janes	<b>TYPE OF OPERATION:</b> 112c - Construction Regular Operation	
<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> Partial Bond	<b>BOND AMOUNT:</b> \$309,000.00	
<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> January 10, 2020	

**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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>Y</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 / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

## **OBSERVATIONS**

The Western Sugar Project was inspected by Peter Hays and D.J. Cunningham with the Division of Reclamation, Mining and Safety (Division/DRMS) as part of the Division's monitoring inspection program. The site was previously inspected by the Division on February 19, 2016 for the required pre-operational inspection for an amendment application (AM-01). Mr. Brad Janes with Varra Companies, Inc. (Varra) was present during the inspection. The site was partially snow covered at the time of the inspection. An inspection map based on the observations from this inspection and the latest available Google Earth image is attached for reference.

The site is an 112c operation permitted for 102.18 total permit acres. The site is divided into four (4) mining tracts; Tract A, Tract B, Tract C and Tract D. The observed site operation and layout was consistent with the approved permit. The approved Mining Plan states the active highwalls will be mined at 1.25H:1V for the upper 30 feet and at 3H:1V below 30 feet. An amendment application (AM-01) was approved by the Division on May 23, 2016 revising the post-mining land use from Industrial/Commercial to Developed Water Resource with the installation of clay liners in the four (4) mining tracts. The four (4) reservoir will combine for a total water surface area of 62.81 acres. The approved Reclamation Plan states slopes above the anticipated final water level of the basins and within 10 feet below the anticipated final water level of the basins will be graded at 3H:1V or flatter. The slopes below 10 feet from the anticipated final water level of the basins may approach 2H:1V. A minimum of six (6) inches of topsoil will be replaced on upland areas and on the shorelines above the anticipated final water level of the reservoirs.

### **Tract A**

A processing plant and product stockpiles were observed in the tract during the inspection. The concrete batch plant remains in the southwest corner of the tract. Mining excavation has begun along the eastern portion of the tract and will progress towards the west. The upland area located east of the tract was being used for concrete and asphalt recycling. Stockpiles of concrete and asphalt were observed during the inspection. A large stockpile of topsoil was located along the western boundary of the tract adjacent to Tract B. Stockpiles of imported rip rap were located along the southern boundary of the tract. The rip rap will be used to construct the required spillways located in the northwest corner of Tract C and between Tracts C and D during final reclamation.

### **Tract B**

Mining excavation in Tract B is complete. The Operator stated the clay liner for the tract is complete, but has not been leak tested. The reclaimed slopes were estimated at 4H:1V or flatter and appeared stable. No erosion features were observed. The tract was partially filled with water and was estimated at 20 feet in depth. Vegetation has volunteered on the slopes consisting mostly of annual weeds. The Operator stated the slopes have not been topsoiled or seeded as part of reclamation.

### **Tract C**

Mining excavation in Tract C is complete. The northwest corner of the tract was actively being backfilled with imported material. The Operator submitted a technical revision (TR-05) on November 27, 2018 to backfill the mined 1.75H:1V slope in the upper 35.5 feet of the perimeter highwall along the north and east sides of the tract to 3H:1V. The Operator submitted an inert fill notice in accordance with Rule 3.1.5(9) as part of the original and amendment (AM-01) permit applications. The depth of the mining excavation was estimated at 50 feet.

#### Northwest corner of Tract C

The Operator stated during the inspection the northwest "triangle" section of the permit boundary in Tract C had been removed from the permit boundary. The Division has not received or approved an acreage reduction request pursuant to Rule 4.17 to remove acreage from the approved permit boundary. The Operator stated on Page 3 of the TR-05 submittal, "The yellow triangle outside the northwest corner of the permit area is not part of the existing permit." The Division is only able to consider and approve permit acreage reductions through the acreage release process, not the technical revision process. The Division considers the "yellow triangle" portion of land in Tract C as part of the permit boundary. The Division recommends the Operator submits an acreage reduction request pursuant to Rule 4.17.1 if they intend to remove the area from the permit boundary.

#### Tract D

Mining excavation in Tract D is complete. The north side of the tract was backfilled with imported material. The Operator submitted a technical revision (TR-05) on November 27, 2018 to backfill the mined 1.5H:1V slope in the upper 32 feet of the perimeter highwall of the tract to 3H:1V. The Operator submitted an inert fill notice in accordance with Rule 3.1.5(9) as part of the original and amendment (AM-01) permit applications. The tract was approximately half full of water at the time of the inspection.

#### Financial Warranty

The Division currently holds a financial warranty in the amount of \$309,000.00. The Applicant decreed water rights to the Office of the State Engineer (SEO) to address the long-term augmentation responsibility at the site. The financial warranty amount was approved by the Division on January 17, 2019 as part of the review of a surety reduction (SR-01). The warranty amount was reviewed following the inspection and found to be adequate to complete reclamation of the existing disturbance.

The required permit boundaries markers and mine sign were observed as required by Rule 3.1.12. 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](mailto:peter.hays@state.co.us)

#### Inspection Contact Address

Brad Janes  
Varra Companies, Inc.  
8120 Gage St.  
Frederick, CO 80516

Enclosure – Inspection Map

Ec: Jared Ebert, DRMS

## PHOTOGRAPHS



Western Sugar mine sign



View of the east shoreline of Tract A from the south end of Tract A looking north





View of Tract A from the south end of Tract A looking northwest



View of the south shoreline of Tract A from the south end of Tract A looking west





Topsoil stockpile located in Tract A adjacent to Tract B



Rip Rap stockpile located along the south boundary of Tract A





View of Tact D and north shoreline backfill operation from the southwest corner of Tract D looking north



View of Tact C and northwest shoreline backfill operation from the south side of Tract C looking northwest





View of the backfill operation in Tract C from the northwest corner of Tract C looking east



View of Tract C from the west shoreline looking east





View of Tract C from the east shoreline looking west



View of Tract D from the northwest corner of Tract D looking south



View of Tract D from the northwest corner of Tract D looking east at the backfill operation along the north shoreline