December 19, 2019

Mr. Peter Hays Division of Reclamation, Mining, and Safety 1313 Sherman Avenue, Room 215 Denver, CO 80203

RE: Loloff Construction, Inc. – Loloff Mine – DRMS M1985-112

Dear Mr. Hays,

Loloff Construction, Inc. would like to provide you with a response to the complaint filed by Mr. Bickling on October 14, 2019 and Ms. Lida Stout on November 22, 2019. We have reviewed the complaints and wanted to provide you with information that we have collected and items we have been working on in relation to the adjacent gravel mine permit owned by Broken Arrow Investments, LLC (the Derr Pit DRMS M2008-078) Use by Special Review Amendment with Weld County. Broken Arrow Investments, LLC is owned and managed by the same people that own and operate Loloff Construction, Inc.

- We have been monitoring the wells of those neighbors who have granted us access to their wells. This was done to provide more data for groundwater modeling efforts.
- Broken Arrow Investments, LLC / Loloff Construction, Inc. has completed well inspections on the Francis wells and the Taylor well. We are currently awaiting schedules from the well drilling contractors on when we can perform additional work on the Francis wells. We are also planning to lower the pump setting at the Taylor Well.
- Broken Arrow Investments is in the process of having the slurry wall design for the original Derr Pit mining cell completed, and has scheduled the construction to commence in March 2020.
- We have nearly completed exhibits that help explain our groundwater modeling efforts and plan to review these exhibits with the neighbors prior to finalizing the report conclusions and recommendations. To date we have met with Mel Bickling and the Koehler family. We just received some information on the wells that

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Agpro measured to determine the bottom depth of the Koehler domestic and stock wells.

- J.C. York with J&T Consulting, Inc. met with Mr. Jay Goza who owns the well at 274 1st Avenue. Mr. Goza has allowed access to the well to measure the static level and it was at 10'-6" on November 19, 2019. Mr. Goza indicated that the well has been at its historic levels for the last several years (see attached e-mail from Mr. Goza).
- The complaint from Ms. Lida Stout indicates the well was re-drilled because it had gone dry. A slurry wall was constructed in 2017 around the Loloff Pit and a leak test was passed for this slurry wall. Per information from Mr. Goza at his well and which is approximately 650 feet from the Stout well it was likely not dry over the last couple years. J.C. York with J&T Consulting, Inc. contacted Quality Well and Pump and they indicated the water level during drilling of the Stout well was 15 feet and after completion of the well it was 8 feet. Quality Well and Pump also indicated the well was relocated due to it's location being hard to access as the original well was inside a vault under the drive/parking area at this residence. The complaint also states that the well had to be re-drilled to get it further away from the septic system because it was to close.
- Only minimal pumping occurred to remove water and storm water remaining in the sealed pit to complete the mining the remainder of 2017, 2018, and 2019 per the approved Substitute Water Supply Plan and accounting with the Division of Water Resources to complete mining in the pit.
- Monitor well data was provided with annual reports in previous years for the monitor wells adjacent to the Derr Pit. Monitor data on surrounding wells was provided in 2015 for the Parker, Harrel, and Francis Wells from April through June. The data for readings after that we do not have as it was on a computer that the hard drive is corrupted and files cannot be retrieved. We have been monitoring the adjacent wells where we have Agpro taking monthly readings at the wells shown on the attached maps and the monitor wells at the Derr Pit.
- The Monroe well was being taken care of by running dewatering water into a recharge pond adjacent to that well when dewatering was occurring. No dewatering is occurring now because the Loloff Pit is nearly mined out and the slurry wall sealed the pit from groundwater entering the pit. Water levels are higher in the adjacent wells (i.e. Jay Goza and Brian Harrell wells). Monroe has not indicated to us that there are any issues with their well.
- The Tyrell well was previously inspected by Quality Well and Pump and the inspection revealed that a bad regulator valve was the issue with the well. The valve was fixed and the well was placed back in operation. This has previously

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been documented with DRMS by Superior Oilfield Services who was the operator for the 8th Street Pit.

- The Hernandez well was investigated by Quality Well and Pump for Loloff Construction previously and it was determined the well was too close to the septic tank and leach field so it could not be re-drilled. Loloff Construction paid for a water tap from North Weld County Water District (NWCWD) and the construction of the service from NWCWD water main to the Hernandez residence.
- The Davis well is being utilized as a monitoring well and measurements are being taken monthly. This well was not being used as the property owned by Global Asset Recovery was placed in a dry up agreement by the previous owners. The well is not dry.
- The Taylor well was inspected in October 2019 and pump tested. The static water level was at 15' prior to performing the pump test. The pump produced 13 gpm at a depth of 20 feet. This well is not dry. The well is also being measured monthly and Loloff Construction continues to pay Ms. Taylor's water bill for her water service from NWCWD.
- The Francis irrigation well and stock well were also inspected in October 2019 and pump tested. The Francis domestic well was also inspected but was not dry. The wells were not dry. As stated previously we are working with Mr. Francis on his wells. The well readings completed previously by Loloff Construction and DRMS in 2017 and 2018 were similar in depth to the readings in October 2019.

Please refer to the attached monitor well and well measurements that Agpro has been providing for Loloff Construction and Broken Arrow Investments. We will continue to monitor all of the wells included in the tables.

Sincerely,

Kelly Hodge Phone: (970) 566-5090 Loloff Construction, Inc. and Broken Arrow Investments, LLC

Monitoring Well and Well Water Levels Well Location Map Monitor Well Location Map E-mails from Mr. Jay Goza

Project	2354-01
Client	Mill Iron
Location	Derr Pit

	9/26/202	18
	Meter Depth to Water	Water Elevation
Monitoring W	/ell from TOC (ft)	(MSL)
MW-1	16.73	4614.65
MW-2	17.18	4613.73
MW-3	17.87	4613.51
MW-4	15.73	4615.90
MW-5	Broken, No Readings	Broken, No Readings
MW-6	15.31	4618.05
MW-7	0.00	0.00
MW-8	18.07	4617.17
MW-9	15.74	4618.28
MW-10	14.75	4617.36
MW-11	14.21	4616.25
MW-12	16.58	4614.62
MW-13	17.42	4613.96
MW-14	49.19	4611.40
MW-15	41.59	4618.77
MW-16		
MW-17		
MW-18		

10/26/20	18	11/20/20	18
Meter Depth to Water	Water Elevation	Meter Depth to Water	Water Elevation
from TOC (ft)	(MSL)	from TOC (ft)	(MSL)
17.06	4614.32	17.14	4614.24
17.06	4613.85	17.03	4613.88
17.67	4613.71	17.63	4613.75
15.38	4616.25	15.34	4616.29
Broken, No Readings	Broken, No Readings	Broken, No Readings	Broken, No Readings
14.89	4618.47	14.78	4618.58
16.57	4619.03	16.43	4619.17
17.79	4617.45	17.71	4617.53
15.32	4618.70	15.21	4618.81
13.89	4618.22	14.25	4617.86
13.89	4616.57	13.80	4616.66
16.51	4614.69	16.49	4614.71
17.21	4614.17	17.18	4614.20
45.97	4614.62	45.90	4614.69
41.11	4619.25	43.01	4617.35

12/18/20	18	1/17/20	19
Meter Depth to Water	Water Elevation	Meter Depth to Water	Water Elevation
from TOC (ft)	(MSL)	from TOC (ft)	(MSL)
17.38	4614.00	17.72	4613.66
17.03	4613.88	17.56	4613.35
17.63	4613.75	18.16	4613.22
15.34	4616.29	15.74	4615.89
Broken, No Readings	Broken, No Readings	Broken, No Readings	Broken, No Readings
14.78	4618.58	15.13	4618.23
16.43	4619.17	16.75	4618.85
17.71	4617.53	18.09	4617.15
15.21	4618.81	15.56	4618.46
14.25	4617.86	14.60	4617.51
13.80	4616.66	14.22	4616.24
16.49	4614.71	16.95	4614.25
26.48	4604.90	17.70	4613.68
45.90	4614.69	46.37	4614.22
43.01	4617.35	41.37	4618.99

2/12/202	19	3/7/201	.9
Meter Depth to Water	Water Elevation	Meter Depth to Water	Water Elevation
from TOC (ft)	(MSL)	from TOC (ft)	(MSL)
18.10	4613.28	18.30	4613.08
17.95	4612.96	18.19	4612.72
18.58	4612.80	18.79	4612.59
16.11	4615.52	25.46	4606.17
Broken, No Readings	Broken, No Readings	Broken, No Readings	Broken, No Readings
15.49	4617.87	15.74	4617.62
17.11	4618.49	17.34	4618.26
18.44	4616.80	18.65	4616.59
15.92	4618.10	16.13	4617.89
14.98	4617.13	24.30	4607.81
14.58	4615.88	14.81	4615.65
17.33	4613.87	17.54	4613.66
18.08	4613.30	18.32	4613.06
46.75	4613.84	46.99	4613.60
41.71	4618.65	51.07	4609.29

4/22/202	19	5/14/20	19
Meter Depth to Water	Water Elevation	Meter Depth to Water	Water Elevation
from TOC (ft)	(MSL)	from TOC (ft)	(MSL)
27.66	4603.72	22.31	4609.07
19.06	4611.85	28.70	4602.21
19.46	4611.92	20.22	4611.16
17.02	4614.61	18.63	4613.00
Broken, No Readings	Broken, No Readings	Broken, No Readings	Broken, No Readings
16.34	4617.02	17.63	4615.73
17.91	4617.69	18.71	4616.89
19.27	4615.97	19.91	4615.33
16.75	4617.27	25.56	4608.46
15.85	4616.26	26.60	4605.51
15.55	4614.91	16.70	4613.76
18.03	4613.17	27.43	4603.77
19.18	4612.20	29.09	4602.29
47.61	4612.98	48.44	4612.15
42.55	4617.81	43.49	4616.87

6/21/202	19	7/24/20	19
Meter Depth to Water	Water Elevation	Meter Depth to Water	Water Elevation
from TOC (ft)	(MSL)	from TOC (ft)	(MSL)
14.60	4616.78	16.41	4615.14
20.28	4610.63	20.75	4610.33
20.65	4610.73	20.92	4610.63
20.40	4611.23	20.49	4611.31
Broken, No Readings	Broken, No Readings	Broken, No Readings	Broken, No Readings
18.55	4614.81	18.61	4614.92
19.42	4616.18	19.42	4616.35
20.73	4614.51	20.90	4614.51
18.53	4615.49	18.77	4615.42
18.67	4613.44	18.79	4613.49
17.87	4612.59	18.04	4612.59
19.09	4612.11	19.62	4611.75
20.87	4610.51	21.17	4610.38
49.02	4611.57	50.15	4610.61
43.61	4616.75	44.31	4616.22

8/21/202	19	9/17/20	19
Meter Depth to Water	Water Elevation	Meter Depth to Water	Water Elevation
from TOC (ft)	(MSL)	from TOC (ft)	(MSL)
17.99	4613.56	no reading, roots	no reading, roots
21.11	4609.97	22.56	4608.52
21.28	4610.27	22.57	4608.98
20.63	4611.17	22.74	4609.06
Broken, No Readings	Broken, No Readings	Broken, No Readings	Broken, No Readings
18.95	4614.58	19.54	4613.99
19.85	4615.92	20.38	4615.39
21.41	4614.00	22.27	4613.14
19.16	4615.03	19.75	4614.44
19.10	4613.18	19.87	4612.41
18.45	4612.18	19.61	4611.02
20.23	4611.14	21.61	4609.76
21.39	4610.16	22.97	4608.58
49.56	4611.20	50.66	4610.10
44.71	4615.82	45.08	4615.45
43.63	4612.73	44.44	4611.92
47.00	4616.80	46.95	4616.85
46.38	4621.28	46.52	4621.14

10/10/20	19	11/13/20)19
Meter Depth to Water	Water Elevation	Meter Depth to Water	Water Elevation
from TOC (ft)	(MSL)	from TOC (ft)	(MSL)
18.50	4613.05	18.46	4613.09
22.18	4608.90	23.31	4607.77
22.36	4609.19	23.28	4608.27
22.27	4609.53	23.18	4608.62
Broken, No Readings	Broken, No Readings	Broken, No Readings	Broken, No Readings
20.00	4613.53	20.30	4613.23
20.71	4615.06	21.05	4614.72
22.51	4612.90	23.01	4612.40
19.96	4614.23	20.28	4613.91
20.48	4611.80	20.82	4611.46
19.79	4610.84	20.36	4610.27
21.31	4610.06	22.43	4608.94
22.55	4609.00	23.62	4607.93
50.65	4610.11	50.65	4610.11
45.40	4615.13	45.64	4614.89
44.52	4611.84	44.87	4611.49
46.59	4617.21	46.75	4617.05
46.61	4621.05	46.74	4620.92

12/10/2019					
Meter Depth to Water from TOC (ft)	Water Elevation (MSL)				
no reading, roots	no reading, roots				
23.30	4607.61				
23.32	4608.06				
23.07	4608.56				
Broken, No Readings	Broken, No Readings				
20.28	4613.08				
21.01	4614.59				
22.97	4612.27				
20.26	4613.76				
20.78	4611.33				
20.30	4610.16				
22.41	22.41				
23.62	4607.76				
51.25	4609.34				
45.57	4614.79				
44.91	4611.28				
46.80	4616.83				
46.73	4620.76				

MILL IRON

OFFSITE PF	RIVATE WELLS			SEPTEN	/IBER 2019	ОСТОВ	BER 2019	NOVEM	BER 2019	DECEM	BER 2019
	Units = Feet			PAS 9/26/2019	26-Sep-19	МК 10/10/2019	10-Oct-19	MK 11/14/19	14-Nov-19	MK 12/13/19	13-Dec-19
Site Number	Identifier	Stick-up (Ground or concrete slab to monitoring point)	Adjusted Meter Reading (Subtract 0.165)	Field Reading Depth to Water	Depth to Water from Ground Surface	Field Reading Depth to Water	Depth to Water from Ground Surface	Field Reading Depth to Water	Depth to Water from Ground Surface	Field Reading Depth to Water	Depth to Water from Ground Surface
1	Hofner #1 Dom	-0.875	-0.165	45.48	44.44	45.47	44.43	45.60	44.56	47.66	46.79
2	Hofner #2 Irr	-0.854	-0.165	48.67	47.65	48.45	47.43	48.89	47.87	49.00	48.15
3	Koehler #1 Dom (Vault)	5.000	-0.165	43.68	48.52	43.73	48.57	43.90	48.74	43.92	48.92
4	Koehler #2 stock (Vault)	6.290	-0.165	41.25	47.38	41.32	47.45	41.52	47.65	41.53	47.82
5	Koehler #3 Irr	-0.271	-0.165	50.80	50.36	49.99	49.55	50.18	49.74	50.18	49.91
6	Global Assets Davis Irr	-1.125	-0.165	47.90	46.61	47.91	46.62	48.10	46.81	48.10	46.98
7	Bliss Irr	-1.021	-0.165	46.20	45.01	46.40	45.21	47.05	45.86	47.24	46.22
8	Parker Dom (Vault)	-0.450	-0.165	no reading	#VALUE!	42.50	41.89	42.75	42.14	42.70	42.25
9	Francis #1 Stock	-1.625	-0.165	13.60	11.81	14.69	12.90	15.71	13.92	15.96	14.34
10	Francis #2 Irr	-1.375	-0.165	11.33	9.79	12.39	10.85	13.82	12.28	14.06	12.69
11	Francis #3 Dom	0.000	-0.165	12.20	12.04	13.21	13.05	14.61	14.45	14.87	14.87
12	Taylor Dom	-0.813	-0.165	17.33	16.35	17.03	16.05	18.95	17.97	19.45	18.64
13	Harrelll #1 Dom	-1.167	-0.165	11.25	10.08	11.80	10.47	12.03	10.70	12.00	10.83
14	Harrelll #2 Irr	-0.729	-0.165	10.08	9.35	10.65	9.76	10.95	10.06	10.92	10.19
15	Murata #1 Irr	-1.958	-0.165	50.25	48.13	50.20	48.08	50.80	48.68	50.82	48.86



JC York

From:	Jay Goza <kcl_llc@yahoo.com></kcl_llc@yahoo.com>
Sent:	Wednesday, November 20, 2019 6:52 PM
То:	JC York
Subject:	Re: Loloff Pit - Dewatering and Slurry Wall

Yes they did make that offer

Sent from my iPhone

On Nov 20, 2019, at 2:03 PM, JC York <<u>icyork@j-tconsulting.com</u>> wrote:

Jay –

Did Loloff offer to provide you water when your well was lower?

Regards,

J.C.

J.C. York, P.E.

J&T Consulting, Inc.

305 Denver Avenue, Suite D Fort Lupton, CO 80621

Office: (303) 857-6222 Mobile: (970) 222-9530 FAX: (303) 857-6224

From: KCL . [mailto:kcl llc@yahoo.com] Sent: Wednesday, November 20, 2019 9:28 AM To: JC York Subject: Re: Loloff Pit - Dewatering and Slurry Wall

JC, yes, well is supplying my shop water needs now and for the past 3-4 yrs with no problems. A few years back, the well was not providing adequate water. At that time we checked water levels and only had 4-5 feet water in the well bore (normal was 15-16 feet) and would not recover fast enough to even fill my 20 gal pressure tank. (we are a low volume user, probably less than 100 gal/day). At that time a slurry wall was being installed and i was informed that should alleviate my well issue. On 11/19/19 we checked the water levels and found water at 10 feet, so approx. 15-16 feet of water in well-bore is historically were it should be.....jay

On Tuesday, November 19, 2019, 01:32:41 PM MST, JC York <<u>jcyork@j-tconsulting.com</u>> wrote:

Jay –

Thanks for meeting with me today and allowing us to measure your well water level. The water level from the top of your casing was at 10'-6.5". The depth of your well was approximately 26 feet.

I wanted to ask you a few questions about how things have been with your well since the slurry wall was installed and prior to it being installed.

Is your well working for your uses currently?

Did the slurry wall installation bring the water levels you historically have seen back to those levels? What was the historic water level in your well over the last several years?

When the Loloff Pit was being dewatered you mentioned it did affect your well? What were the affects? Did Loloff Construction provide assistance to help or offer to help with mitigating the affects?

Thank you for your time today and please let me know if you can provide answers to the questions above.

Regards,

J.C.

J.C. York, P.E.

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22nd Ave L

