




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

The Division of Reclamation, Mining and Safety has 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: Royal Gorge Ranch	MINE/PROSPECTING ID#: M-2020-001	MINERAL: Sand and gravel	COUNTY: Fremont
INSPECTION TYPE: Illegal (Unpermitted Operation)	INSPECTOR(S): Amy Eschberger	INSP. DATE: January 23, 2020	INSP. TIME: 10:30
OPERATOR: N/A	OPERATOR REPRESENTATIVE: None	TYPE OF OPERATION: ILL - Illegal	
REASON FOR INSPECTION: Citizen Complaint	BOND CALCULATION TYPE: N/A	BOND AMOUNT: N/A	
DATE OF COMPLAINT: January 7, 2020	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: February 6, 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>N</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>N</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>N</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>N</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 and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

This inspection was conducted by Amy Eschberger of the Division of Reclamation, Mining and Safety (Division) in response to an anonymous illegal mining complaint received by our office on January 7, 2020 (see enclosed complaint). The site is located approximately 10.5 miles west of Canon City, CO in Fremont County. The site is situated directly adjacent to and east of Co Rd 61, approximately 0.7 miles south of Hwy 50 (see enclosed Google Earth image showing site location). The site is located on privately owned land. No representatives were present for the inspection. **Photos 1-7** taken during the inspection are included with this report.

The complaint alleges the owners of Royal Gorge Ranch, a proposed subdivision building (300+) tiny home sites and approximately 50 miles of road on the property, are digging a pit along Co Rd 61 for material to build the roads and home sites. The complaint describes the pit as being located in a natural groundwater watershed. The complaint states the construction project has been in progress for many months. Additional information provided by the complainant on January 9, 2020 clarified the Royal Gorge Ranch property stretches from Co Rd 61 at its western perimeter to Co Rd 3A at its eastern perimeter. A name and phone number was also provided for the landowner, Ty Seufer. The Division left a voicemail with Mr. Seufer informing him of the complaint received and the inspection date.

During the inspection, the Division observed a pit on the east side of Co Rd 61 which was actively being mined with a small backhoe. The Division was not able to access the site. The property gate was locked and the workers present on site did not approach the Division. Therefore, the inspection was conducted entirely from the adjacent Co Rd 61. The pit is being dug in a dry ravine which is oriented northwest-southeast across the property. The pit was approximately 6-8 feet in depth with near vertical pit slopes, and appeared to cover no more than two acres. The operation is currently expanding the pit northward. Slash piles were piled along the western edge of the pit along the ravine alignment. A dirt road, which appeared to be newly constructed or improved, accessed the pit from the south. The Division observed one haul truck being loaded with the mined material and transporting that material east/southeast across the property.

After watching the haul truck exit to the east/southeast, the Division drove over to the main entrance to the Royal Gorge Ranch and Resort located off Co Rd 3A (at the eastern edge of the property), approximately 1.2 miles south of Hwy 50. The sign at the entrance read "Coming Soon". No activities were observed in this area during the inspection. The Division did not observe any haul trucks using the county road to access this area. Therefore, it would appear the dump site was located somewhere between Co Rd 61 (to the west) and Co Rd 3A (to the east), on the Royal Gorge Ranch property.

After conducting the inspection, the Division spoke with the landowner Ty Seufer via telephone. Mr. Seufer stated he owns the 805 acre property on which the excavation project was taking place. He explained there are two primary objectives to the excavation project, one of which is to clean out and restore the arroyo on the property, and the second of which is to obtain sand and gravel for constructing home sites, roads, and a bike park on the property (associated with Royal Gorge Ranch and Resort). Mr. Seufer indicated plans to restore the arroyo with more stable slope configurations, and to regrade and seed the pit area after the excavation project is complete. According to Mr. Seufer, none of the mined material is sold or otherwise introduced into the market. Additionally, the material is not transported or used off of the property. Mr. Seufer indicated the pit will continue to be used intermittently for at least another year or so as the property is developed.

After investigating the complaint, the Division has determined the activities described in this report do not require a reclamation permit from our office. If the nature of the project is planned to change, such as the material will be sold or otherwise introduced into the market, and/or the material will be transported off the

property at any time (including the use of off-site roads), the Division recommends the operator complete and submit to our office an "Is It Mining" questionnaire (form enclosed) to receive a formal determination from the Division on whether the proposed activities require a reclamation permit.

While the Division has determined a permit is not required from our office for the operation described in this report, there are other agencies that may regulate such an operation, including:

- 1) The County Planning Department for the county in which the operation is located, regarding zoning/land use and construction (and/or other) permits required by their office.
- 2) Colorado Department of Public Health and Environment, Water Quality Control Division regarding the discharge of pollutants into the waters of the state, and/or the Air Pollution Control Division regarding air quality permits.
- 3) Colorado Department of Water Resources regarding water rights (for consumptive use of water).
- 4) U.S. Army Corps of Engineers regarding a Dredge and Fill (404) Permit.
- 5) U.S. Bureau of Land Management or the U.S. Forest Service if the operation will occur on federal lands.
- 6) Colorado Parks and Wildlife and/or the U.S. Fish and Wildlife Service regarding the assessment of potential wildlife impacts.

This concludes the report.

Any questions or comments regarding this inspection report should be forwarded to Amy Eschberger at the Colorado Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, via telephone at 303-866-3567, ext. 8129, or via email at amy.eschberger@state.co.us.

PHOTOGRAPHS



Photo 1. View looking northeast from Co Rd 61, showing pit (indicated in background) located adjacent to (and east of) the road on private property.



Photo 2. View looking northeast, showing closer view of pit, approximately 6-8 feet deep. Note slash pile stored along western edge of pit (at left).



Photo 3. View looking east at pit from Co Rd 61. Note slash pile stored along western edge of pit, somewhat obscuring view of pit from road.



Photo 4. View looking northeast from Co Rd 61, showing backhoe loading a haul truck inside the pit.



Photo 5. View looking southeast from Co Rd 61, showing haul truck transporting dirt from pit east/southeast on the property.



Photo 6. View looking southeast from Co Rd 61, showing portion of dry ravine located north of pit.



Photo 7. View of main entrance to Royal Gorge Ranch and Resort on east side of property, off Co Rd 3A. The entrance sign reads “Coming Soon”.

Inspection Contact Address

Ty Seufer via email at: tyseufer@gmail.com

Encls: Anonymous complaint, received on January 7, 2020
Google Earth image showing site location
Is It Mining form

CC: Complainant (name and contact information confidential)
Michael Cunningham, DRMS

----- Forwarded message -----

From:

Date: Tue, Jan 7, 2020 at 3:12 PM

Subject: Royal Gorge Ranch Proposed Subdivision

To: <DMG_web@state.co.us>

Anonymous Complaint;

File No. M-2020-001

Hello

I live on County Road 61, in Fremont county. Our property adjoins the proposed subdivision of the "Royal Gorge Ranch". As I understand the status of the proposed subdivision, is being held up for water permitting issues. Anyway, they are building tiny home sites (300+) and approximately 50 miles of road on the property. They are digging a pit along County Road 61 for the purpose of removing material to build the roads and home sites. I don't know if the pit they are digging would be required to have a permit, or if this process qualifies as a mine or quarry. The pit is actually being dig in a natural ground water watershed. Construction has been in progress for many months.

<https://www.royalgorgeranchandresort.com/blog/>

Thank you,

Sent from my iPhone



STATE OF
COLORADO

Eschberger - DNR, Amy <amy.eschberger@state.co.us>

Illegal Mining Complaint / Fremont County

Fri, Jan 10, 2020 at 11:12 AM

To: "Eschberger - DNR, Amy" <amy.eschberger@state.co.us>

Photos taken from CR61:







The last picture is of the natural drainage that leads into the pit that they have created. Currently, I would estimate their site to be about one acre.
Thanks for looking into this.



M2020-001 Royal Gorge Ranch Pit

Royal Gorge Ranch and Resort Entrance

Buckskin Joe Buckskin Joe

Google Earth

© 2019 Google

Imagery Date: 6/15/2016 38°29'13.96" N 105°20'07.60" W elev 0 ft eye alt 13613 ft

1999



COLORADO
Division of Reclamation,
Mining and Safety
Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

Date: _____

RE: Need for State Reclamation Permit: "Is It Mining?"

Name: _____

Mailing Address: _____ City: _____ State: _____ Zip Code: _____

Telephone: (____)____-____ Cell: (____)____-____

Email: _____

Enclosed are pertinent sections of the Colorado Mined Land Reclamation Board (Board) Rules governing activities that do not require a reclamation permit. To determine if you need a permit for you proposed activity, first check Rule 1.2 which describes activities the Board has determined do not require state reclamation permits. If you find a match, you can proceed based on your interpretation of the rule, but at your own risk. If you are uncertain how the Rule may apply to your activity, you should answer the list of questions below with as much detail as possible. Please feel free to use additional paper, maps, and attachments to explain your project.

Please include in your determination request answers to the following questions:

1. Please provide the legal location of the proposed project and submit a site map that clearly delineates the location of the proposed extraction site and the location of the nearest city, town, and county location name.
Section____;Township____;Range____;PM____County____
Or NAD27 GPS X UTM____Y UTM____
Direction and miles to nearest town/city_____
2. Is the site of material extraction on public or privately owned property?
3. What type(s) of material or metal is/are proposed to be extracted and describe the physical nature of the site i.e., river terrace, rocky knob, in-stream gravel deposit, etc.?
4. What processing or extraction method(s) will be used on site? Include any equipment or chemical(s) that will be used in the processing and extraction of the materials.
5. Will the extracted material be hauled offsite or used on the same parcel of property where the material is extracted?
6. How will the extracted material be used on site?
7. If the material is hauled offsite, where will it be hauled to and what it the intended use?



8. What is the approximate areal extent of the proposed extraction in acres?
9. To what approximate depth will the extraction extend?
10. In cubic yards, approximately how much material will be removed?
11. Will material extraction involve the use of explosives?
12. Will site of extraction result in the exposure of tributary ground water?
13. Will either the landowner or the mine site operator receive any type of compensation, i.e., monetary, in-kind, haulage fees, etc., from the proposed material extraction?
14. Please supply a copy of any documents that will ensure that the area of extraction will be reclaimed to some beneficial land use once extraction activities have been completed.
15. Do you have permits for this activity from any other governmental agencies such as building, construction, or grading permits, and if so, what are they?
16. Are there state/federal/local agency participants in terms of funding (yes)-(no), design (yes)-(no). What are the percentages?
17. What *post mining* uses will be made of the site of extraction and why?
(This question helps us determine the intent of the activity)
18. What types and sizes of equipment will be used in the extraction?

Please send the completed questionnaire to the Division at the address above for review. The Board has directed the Division to make a decision based on the information you have supplied. We trust that the activities will be performed as represented. If we receive a complaint, we are required by law to conduct an inspection of the site. Which could result in a violation, a cease and desist order, and other corrective actions including submittal of a permit application.

If you have any question, please contact Wally Erickson for Eastern Colorado sites at (303)866-3567, ext. 8176, or Russ Means for Western Colorado sites at (303)866-3567, ext. 8185. If you are unsure which area your project lies please feel free to contact either for further guidance and assistance. Please feel free to visit our web site at: www.mining.state.co.us for further access to the full Act and Rules governing extraction of metals, non-metals, and construction materials in the State of Colorado.

Sincerely,

Division of Reclamation, Mining and Safety Staff

Enclosure: Rule 1.2.1 for both Hard Rock Metal Mines and Construction Materials

1.2 SCOPE OF RULES AND ACTIVITIES THAT DO NOT REQUIRE A RECLAMATION PERMIT

1.2.1 Specified by Rule

The Board has determined that certain types of activities do not need reclamation permits either because the excavated substance is not a mineral as defined in Section 34-32-103(7), Colorado Revised Statutes 1984, as amended or because the activity is not a mining operation as defined by Section 34-32-103(8), C.R.S. 1984, as amended. Such activities include the following:

- (a) the exploration and extraction of natural petroleum in a liquid or gaseous state by means of wells or pipe;
- (b) the development or extraction of coal (refer to the Colorado Surface Coal Mining Reclamation Act Section 34-33-101, et seq., C.R.S. 1984, as amended);
- (c) smelting, refining, cleaning, preparation, transportation, and other off site operations not conducted on affected land;
- (d)
- (e) a custom mill.

1.2 ACTIVITIES THAT DO NOT REQUIRE A RECLAMATION PERMIT

103(3) and (13)

1.2.1 Specified by Rule

The Board has determined that certain types of activities do not need reclamation permits either because the excavated substance is not a construction material as defined in Section 34-32.5-103(3), Colorado Revised Statutes 1984, as amended or because the activity is not a mining operation as defined by Section 34-32.5-103(13), C.R.S. 1984, as amended. Such activities include the following:

- (a) the exploration and extraction of natural petroleum in a liquid or gaseous state by means of wells or pipe;
- (b) the development or extraction of coal (refer to the Colorado Surface Coal Mining Reclamation Act Section 34-33-101, et seq., C.R.S. 1984, as amended);
- (c) cleaning, preparation, transportation, and other off-site operations not conducted on permitted land; and
- (d) the extraction of geothermal or groundwater resources.

1.2.2 Reserved

1.2.3 Reserved

1.2.4 Extraction or Exploration on Federal Lands

Any person who intends to extract or explore for construction materials on federal lands shall apply for a Mined Land Reclamation Board permit or submit a Notice of Intent to conduct exploration operations unless specifically exempted by the Board according to the provisions of this Subsection 1.2.