

February 10, 2020

Uwe Lubjuhn CEMEX, Inc. P.O. Box 529 Lyons, CO 80540

Re: Dowe Flats Mine, Permit No. M-1993-041, Status of Required Corrective Actions

Mr. Lubjuhn:

The Division of Reclamation, Mining and Safety (Division) is providing the following status update on the corrective actions required by the inspection report mailed on December 10, 2019:

PROBLEM #1: The current mining plan needs to be updated and clarified pursuant to C.R.S. 34-32.5-112(1)(c)(VI). The operator must provide sufficient information to describe or identify how the operator intends to conduct the operation. Specifically, the operation has disturbed more than the approved maximum allowed disturbance at any time of 105 acres, and therefore, this amount must be increased to reflect, at a minimum, the existing disturbance. Additionally, the mining plan map must be updated to meet the requirements of Rules 6.2.1(2) and 6.4.3.

CORRECTIVE ACTIONS: By the corrective action date, the operator shall submit a Technical Revision, with the required \$216 fee, to update and clarify the current approved mining plan to reflect existing and proposed activities; specifically to increase the maximum disturbed area to, at a minimum, include existing disturbance at the site (estimated by the Division to be 385.15 acres). Additionally, the revision must include an updated mining plan map in accordance with Rules 6.2.1(2) and 6.4.3, which depicts the entire approved permit boundary (1,854.45 acres) and affected lands boundary (464.9 acres).

STATUS UPDATE: On January 7, 2020, the operator submitted a Technical Revision to revise the approved mining and reclamation plans and maps. Therefore, the Division considers this problem to be abated.

PROBLEM #2: The current reclamation plan needs to be updated and clarified pursuant to C.R.S. 34-32.5-116. The operator must provide sufficient information to describe or identify how the operator intends to conduct reclamation. Specifically, the reclamation plan needs to be updated to describe how the conveyor system and associated infrastructure will be reclaimed. Additionally, the reclamation plan map must be updated to meet the requirements of Rules 6.2.1(2) and 6.4.6.

CORRECTIVE ACTIONS: By the corrective action date, the operator shall submit a Technical Revision, with the required \$216 fee (can be same revision as required by Problem #1 above), to update and clarify the current approved reclamation plan to reflect existing and proposed activities. Specifically, the reclamation plan must be updated to describe how the conveyor system and associated



February 10, 2020 CEMEX, Inc. Dowe Flats Mine, Permit No. M-1993-041 Page **2** of **2**

infrastructure will be reclaimed, including its dimensions, all permanent components requiring demolition (e.g., concrete footers), any buried sections of the conveyor, any associated infrastructure, removal/disposal information, and any areas requiring grading, retopsoiling, and/or seeding once the system has been removed. Additionally, the revision must include an updated reclamation plan map in accordance with Rules 6.2.1(2) and 6.4.6 which depicts the entire approved permit boundary and affected lands boundary.

STATUS UPDATE: On January 7, 2020, the operator submitted a Technical Revision to revise the approved mining and reclamation plans and maps. Therefore, the Division considers this problem to be abated.

PROBLEM #3: The financial warranty is not adequate to reclaim the site in accordance with the approved reclamation plan. This is a failure to maintain the proper financial warranty amount to complete reclamation of the affected lands pursuant to C.R.S. 34-32.5-117(4)(b) and Rule 4.2.1(1).

CORRECTIVE ACTIONS: By the corrective action date, the operator shall submit an updated bond estimate in accordance with Rule 6.4.12 that includes all information necessary to calculate the costs of reclamation that would be incurred by the state for, at a minimum, the existing disturbance at the site, including demolition/removal costs for the existing conveyor system. This bond estimate should be included with the Technical Revision submittal required by Problem #2 above.

STATUS UPDATE: On January 7, 2020, the operator submitted a Technical Revision to revise the approved mining and reclamation plans and maps. This revision includes an updated reclamation cost estimate which addresses the existing conveyor system. Therefore, the Division considers this problem to be abated at this time. In its review of the revision submitted, the Division will determine the required financial warranty for the site and notice the operator of any increase. The operator will have 60 days from the date of such notice to post the additional required financial warranty.

If you have any questions, you may contact me by telephone at 303-866-3567, ext. 8129, or by email at <u>amy.eschberger@state.co.us</u>.

Sincerely,

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Amy Eschberger Environmental Protection Specialist

CC: Cita Cisse, CEMEX, Inc. Scott Harcus, CEMEX, Inc. Robin Bay, Habitat Management, Inc. Michael Cunningham, DRMS