

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: Mica Lode	MINE/PROSPECTING ID#: M-1977-144	MINERAL: Quartz (quartzite/ quartzose sandstone)	COUNTY: Fremont	
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:	
Monitoring	Timothy Cazier, P.E.	February 13, 2020	13:20	
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:		
Colorado Quarries Inc	Aaron Tezak	112c - Construction Regular Operation		

REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:
Normal I&E Program	Partial Bond	\$38,002.00
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:
NA	None	None
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:
Cloudy	Thing all	December 29, 2020

The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.

INSPECTION TOPIC: Off-site Damage

PROBLEM/POSSIBLE VIOLATION: Problem: The affected area map, mine and reclamation plans need to be updated and clarified pursuant to C.R.S. 34-32.5-112 (1)(c). The operator must provide updated maps and sufficient information to describe or identify how the operator intends to conduct the mining operation and reclamation.

CORRECTIVE ACTIONS: The operator shall submit a Technical Revision, with the required \$216 revision fee, to update the affected area boundaries and clarify the current approved mining and reclamation plans to reflect existing and proposed activities by the corrective action date.

CORRECTIVE ACTION DUE DATE: 3/01/21

OBSERVATIONS

This inspection was conducted as part of the Division's regular monitoring program. The Permittee (Colorado Quarries) was represented during the inspection by Mr. Aaron Tezak. The Mica Lode is accessed from Fremont Co Rd 3a approximately nine miles west of Cañon City off Hwy 50. This is a 112c aggregate mine. It was operating at the time of the inspection. The temperature was 21°F at the time of the inspection with a few inches of snow on the ground, limiting site observations.

<u>Availability of Records:</u> Annual fees are paid through November 2020. The previous inspection was on March 6, 2016. The post-mine land use is wildlife habitat. There were no open infractions prior to the inspection.

Acid And Toxic Materials: The tanks observed on site were empty (see **Photo 1**).

<u>Explosives:</u> Mr. Tezak indicated they blast about twice per year. They have a blasting plan, but do not monitor the blasts with instruments. The nearest paved road is FCR 3A about a third of a mile from the main pit. The nearest building appears to be in Buckskin Joe about 1.25 miles west of the main pit. Records are kept in the company office in Cañon City.

<u>Financial Warranty:</u> The \$38,002 bond held by the DRMS was last updated in 1989 as part of the conversion to a 112 permit. The 2016 inspection report indicated a review of the bond would be necessary for the next inspection. As part of the records review required to review the financial warranty, it was found that some reclamation, such as backfill in the IMC-1 quarry was continued; but other areas on site need more clarification on the reclamation plans do to incomplete or illegible documents from the 1989 conversion. The need for clarification of these documents is discussed below. Once the records are clarified, the DRMS will revisit the financial warranty.

<u>Fish and Wildlife:</u> No impact to wildlife was observed.

<u>Gen. Compliance with Mine Plan:</u> The operation appeared to be in compliance with the discernable portions of the approved mine plan. The maximum allowed disturbed area is 46 acres. Google Earth was used to measure the disturbed area, which was estimated to be approximately 20 acres, based on 2019 imagery. Highwalls in the Ruby pit (see **Photo 2**) were estimated to be between 12 and 20 feet in height and the observed highwall on the south side of the Mica Pit (see **Photo 3**) was estimated to be 20 feet high. All observed highwalls appeared stable.

Off-site Damage: The 2016 inspection identified and located four permit boundary corners. Most of the operation appears to be within the permit boundary (yellow boundary on Figure 1), with the exception of the PMD-S (or PMD-5) dump and an area south of the Mica Pit ("Area A" on Figure 1) that was re-disturbed between 2013 and 2016 (based on Google Earth history review). It is possible the affected area boundaries may include all disturbances, but would require adjustments to the permit boundary, as well as clear delineation of the affected areas. The following is a summary of the various boundaries shown on Figure 1 and their missing areas:

- <u>Permit Boundary</u> (~58 acres, yellow line): Does not include the PMD-5 dump and Area A.
- <u>CN-01 Affected Area Boundary</u> (~50 acres, purple line): Does not include the northeast corner of the Ruby Pit area; small portions of Area A, the PMD-5 and MQND dumps, and the western portion of the MQD-1 dump.
- Affected Area Boundaries (~20 acres, light green and orange lines): Does not include the majority of the
 disturbed area (outlined in blue) in the central portion of the permit area, the access road, or the wester

- end of the MQD-1 Dump.
- <u>Claim Boundaries</u> (~80 acres, not shown on Figure 1): This is the outside perimeter of claims Suzana No. 1
 Lode, Suzana No. 2 Lode, Feldspar No. 1 and Feldspar No.2 from the GR Hall & Associates Drawing No.
 "C:\2002\107, dated 4-29-2002", provided to the DRMS on March 9, 2020. This boundary includes all but
 the west end of the MQD-1 Dump. It was dismissed after Mr. Bill Tezak described it as the boundary of
 the aforementioned four claims and not a meaningful affected area or permit boundary.

The lack of clearly defined affected area boundaries is cited as a Problem on page 1 of this report. A technical revision is required to clearly delineate the boundaries for the 46 acres of approved affected area. The revised map must include the area outlined in blue on Figure 1 (~20 acres), as well as the currently delineated affected areas outlined in light green and orange on Figure 1. Updated mine and reclamation plans are required to accompany the updated map in order to clarify the missing items in Attachment A and provide the DRMS with a basis to update the financial warranty. The updated map should show locations of stockpiled topsoil and backfill material.

<u>Right of Entry:</u> Both the surface and minerals are privately owned. A DRMS records review found unpatented mining claims Mica Lode, Suzana No. 1 Lode, Suzana No. 2 Lode, Feldspar No. 1 and Feldspar No.2 were transferred to Bill Tezak around the time of the transfer of the permit from Colonna & Company of Colorado to Colorado Quarries in 1981. A search of Fremont County Assessor's records indicates the northern portion of the site is owned by Melodi Tezak and the southern portion is owned by Royal Gorge Buckaroos LLC. Mr. Tezak indicated the required leases were current at the time of the inspection.

Reclamation Success: Mr. Aaron Tezak indicated some limited reclamation was initiated several years ago.

<u>Support Facilities On-site:</u> A drill (see **Photo 4**), trackhoe and loader were observed on site.

<u>Signs and Markers:</u> A new permit sign was properly posted (see **Photo 5**) as recommended in the 2016 inspection report. Four permit boundary corner markers were located during the 2016 inspection. However, Rule 3.1.12(2) requires boundaries for affected areas be marked. As there is some uncertainty related to map boundaries for the 46 acres of affected areas, the lack of affected area boundary markers is not cited as a problem; but the DRMS will require these boundaries be marked after the required Technical Revision addressing these map boundaries and clarification to the mining and reclamation plans is approved.

Permit Stipulations: There are no permit stipulations.

Structures: No structures were observed within 200 feet of the affected area.

Off-site Meeting: After the site visit, I met with Bill Tezak in their Cañon City office to discuss the discrepancies in the affected area boundaries. He pulled maps he could find quickly, which did not help much to clarify the issues. Mr. Bill Tezak committed to reviewing his files to see if he could find appropriate mapping. We agreed to have a follow-up meeting in late March or early April. Unfortunately, COVID-19 protocols implemented in mid-March has prevented our intended follow-up meeting to date. The maps Mr. Tezak found were sent to the DRMS and received on March 9, 2020. These maps and related documents were helpful in putting together the summary in **Attachment 1**.

Please contact Tim Cazier (303)328-5229 or at tim.cazier@state.co.us if you have any questions regarding this report.

PHOTOGRAPHS



Photo 1. Empty tanks (staging area).



Photo 2. Ruby Pit hIghwall (looking north).

PHOTOGRAPHS (cont.)



Photo 3. Mica Pit highwalls (south side, looking north).



Photo 4. Drill in Ruby Pit (looking east).

PHOTOGRAPHS (cont.)



Photo 5. Permit sign at site entrance.

GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(AR) RECORDS <u>Y</u>	(FN) FINANCIAL WARRANTY <u>Y</u>	(RD) ROADS <u>N</u>
(HB) HYDROLOGIC BALANCE <u>N</u>	(BG) BACKFILL & GRADING N	(EX) EXPLOSIVES Y
(PW) PROCESSING WASTE/TAILING N	(SF) PROCESSING FACILITIES \underline{Y}	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- N	(FW) FISH & WILDLIFE \underline{Y}	(RV) REVEGETATION N
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN N	(RS) RECL PLAN/COMP N
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION N	(ST) STIPULATIONS <u>Y</u>
(AT) ACID OR TOXIC MATERIALS <u>Y</u>	(OD) OFF-SITE DAMAGEPB	

Y = Inspected / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

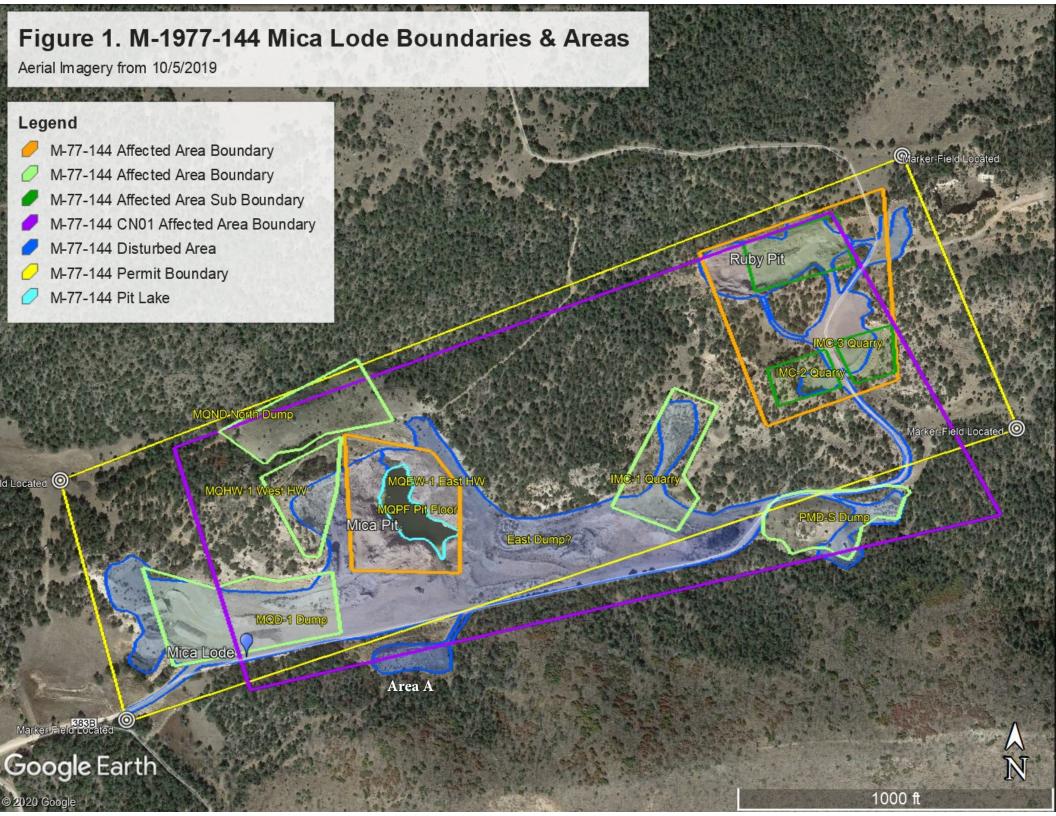
Inspection Contact Address

Bill Tezak Colorado Quarries Inc 270 S 15th St Canon City, CO 81212

Enclosures

ec: DRMS file

Bill Tezak, Colorado Quarries Nicole Martin, Colorado Quarries



PERMIT NUMBER: M-1977-144
SITE: Mica Lode

| 1-1977-144 | SPECIALIST: TC1 | TC1 | TC2 | TC3 | TC4 | TC4 | TC5 | TC5 | TC5 | TC5 | TC6 | TC6 | TC7 | TC7

SIIE:	iviica Lode							DATE:	12/28/20
			Exh D	Survey	Google				
			Area	Area	Earth				
Mine Area /	Sub-Area	Description	(Ac)	(Ac)	Area (Ac)	Mine Plan Summary	Reclamation Plan Summary	1989 Reclamation Costs	Sources / Comments
East Site		7.22 acres in NE mine site		7.22	7.16				Source: GR Hall & Associates drawing # C:\2002\107, dated 4-29-2002
	Ruby Pit	Active North quarry in East Site Boundary	4.5		1.18	All work as described in mine plan requires removing saleable product Intend to finish lowering west wall, then extract form north & south walls. All mining is done in such a manner as to flatten highwalls	Final grading 2 days with D-8 (16 hours) Pit configuration is shown on map. If any top soil Is encountered In this quarry it will be stockpiled to place on final slopes. This quarry has no overburden or waste materials. Mining is done so as to flatten existing quarry walls. This quarry will be sloped to 3H.1V or flatter depending on amount of material mined. Oversize material will be placed in quarry and buried with fine materials. Quarry floor will be a pond area	Haul and Place oversize 150 CY @\$2/CY = \$300 Final grading pit slopes 8 hours D-8 Cat @\$75.00/hr = \$600 Grading pit floor & seed bed prep. 7½ hours D-6 Cat @\$45/hr = \$337.50	Source: CN-01 application, Exhibits D & L - 4/15/89
	IMC-2 Quarry	SW quarry in East Site Boundary	0.0		0.58	Areas in DRMS Exhibit D file copy quality too poor to			Source: CN-01 adequacy responses #7 & 8 - 9/12/89 IMC-3 Area appears to have
	IMC-3 Quarry	SE quarry in East Site Boundary	0.0		0.55	<u>read</u> Pre-law. No plan to "re- disturb"	N/A	N/A	overburden material placed after 2013. This area will need to be included in an updated mining and reclamation plan.
MQD-1 Dump		West Dump				Exhibit D discusses Dump 1 and Dump 2		Oversize and waste material Load and Haul 1,000 CY @ \$2/CY=\$2,000. Seed bed preparation and final grading = \$1,000	Source: CN-01 Bond Calculation - 9/16/89 Grading/material placement appears to have occurred on the west end outside the delineated MQD-1 area since 2004. This area will need to be included in an updated mining and reclamation plan.

PERMIT NUMBER: M-1977-144
SITE: Mica Lode

Mica Lode

SPECIALIST: TC1
DATE: 12/28/20

		_							12/20/20
			Exh D	Survey	Google				
			Area	Area	Earth				
Mine Area /	Sub-Area	Description	(Ac)	(Ac)	Area (Ac)	Mine Plan Summary	Reclamation Plan Summary	1989 Reclamation Costs	Sources / Comments
West Site		Mica Pit, MQPF pit floor, may include some East Highwall (MQEW-1)	2.9	3.12	3.14	Pit floor is an extension of the west hlghwall. Ore body Is dipping to the East. Thru years of following ore body, a series of slopes & benches have been created as shown on photo. These areas need minor work to clean up, however final clean up can not be completed until the West highwall is brought down, benching and sloping for final grading will be completed.	created by bringing down West highwall or ore extractions due to dipping vein to the East	Haul & final grading crusher fines 450 CY @ \$2/CY = \$900	Source: GR Hall & Associates drawing # C:\2002\107, dated 4-29-2002 Includes pit lake Source: CN-01 application, Exhibit D - 4/15/89 Source: CN-01 adequacy response #3 - 9/12/89 Blasting may be required to achieve 4:1 slopes
MQHW-1 West Highwall		west side of Mica Pit	8.5		1.21	North & NW faces. SW face is ~ ½:1 slope. High point on wall exceeds 250' in height.	Material could be blasted into main pit sale or left in pit for backfill & sloping hlghwall. Highwall would be benched approximately every 40' to meet MSHA stds. Final sloping and Benching will be achieved by drilling and blasting. This area is shown to remove the top 80' of high point and construct 2:I slopes with 25' bench widths to transition into pit floor. Back filling in these areas can be done at toe of slopes with waste rock and fines to flatten slopes and construct gentle sloping bench areas on West highwall and pit floor. Topsoil will be placed on upper benches on West highwall area.	Grading & Sloping - Dozer push 1,250CY @ \$1/CY = \$1,250 Crusher tines haul & place 300 CY @ \$2/CY = \$600 200 CY Topsoil @\$2/CY = \$400 Grading Topsoil - 8 hrs @ \$45/hr = \$360	Source: CN-01 application, Exhibits D & L - 4/15/89 Source: CN-01 adequacy response Nos. 3, 5 (note) & 12 9/12/89 Blasting may be required to achieve 2:1 benched slopes

PERMIT NUMBER: M-1977-144
SITE: Mica Lode

 SPECIALIST:
 TC1

 DATE:
 12/28/20

JIIL.	IVIICA LOGE							DAIL.	12/20/20
			Exh D	Survey	Google				
			Area	Area	Earth				
Mine Area /	Sub-Area	Description	(Ac)	(Ac)	Area (Ac)	Mine Plan Summary	Reclamation Plan Summary	1989 Reclamation Costs	Sources / Comments
MQEW-1 East		name only - no	6			Intent is to carry this wall &	Remaining material consists of	Grading Benches = \$750.00	Source: CN-01 application, Exh
Highwall		boundary				benches down ~ 100' from	all saleable product. As we	Crusher fines haul 400 CY. @\$2/CY	L - 4/15/89
						top of ore body. All material	have already absorbed the cost	= \$800.	Source: CN-01 adequacy
						below this point is saleable	of overburden removal there	Grading crusher fines 8 hours D-6	response #5 (note) & #12 -
						product, have been	should be no further cost to	Cat = \$360	9/12/89
						removing it on demand.	final grading. 1.5H:1V slopes	Topsoil Haul and Placement 400 CY	Source: CN-01 Bond
						The ore body is ~100' deep	with 20' bench widths. Back	@ \$2/CY = \$800	Calculation - 9/16/89
						at this point dipping about	filling in these areas can be	Seed bed preparation 9 hours D-6	
						20° to East	done at toe of slopes with	Cat = \$405	
							waste rock and fines to flatten		
							slopes and construct gentle		
							sloping bench areas on pit		
							floor. Topsoil will be placed on		
							upper benches East highwall		
							areas		
IMC-1 Quarry		Pre-law? Quarry			1.73	no mining?	Dozing fill material to final	Grading: 20 hrs @\$45/hr = \$900	Source: CN-01 application,
		between Mica				DRMS file copy quality too	grade. This would require 2 ½		Exhibits D & L - 4/15/89
		and Ruby Pits				poor to read	days with D-6D (20 hours)		Some backfill occurred in 2013
									per annual report
PMD-S Dump	a.k.a. PMD-5?	Dump in SE area	2.6		1.54	No saleable material	This dump could be finsih	Slope and gradtng 900 CY. @	Source: CN-01 application,
		of site				Small dump containg black	graded by sloping North and	\$1.00/CY = \$900	Exhibits D & L - 4/15/89
						schist. West & north sides	west faces. North could be		Source: CN-01 Bond
						only have fill slopes. East &	sloped to 3:1 or faltter West		Calculation - 9/16/89
						south slopes are daylighted	could slope to 2 1/2:1 & still		Dump needs to be in
						into surrounding terrain.	keep access road open.		delineated Affected Area
						Used for equipment storage	Sloping: 12 hours with a D-8		boundary and relcamtion plan
						and powder magazines.	dozer		needs more detail
MQND North	a.k.a. MQND-3	Dump north of	4.1		1.85	may remove part or all of	If not removed, flatten to final	Dozer push - flatten slope 1,050 CY	Source: CN-01 application, Exh
Dump	,	Mica Pit				· ·	grade w/ D-8 (16 hours)	@\$1.10/CY = \$1,155	L - 4/15/89
- 17						D states 4.1 acres	2H:1V slope	7-7-1	Source: CN-01 adequacy
							3.000		response #2 - 9/12/89
									Source: CN-01 Bond
									Calculation - 9/16/89
		i		L	l .			l .	Calculation - 3/ 10/ 03

 PERMIT NUMBER:
 M-1977-144
 SPECIALIST:
 TC1

 SITE:
 Mica Lode
 DATE:
 12/28/20

	IVIICA EOAC	_						27.1.21	12/20/20
			Exh D Area	Survey Area	Google Earth				
Mine Area /	Sub-Area	Description	(Ac)	(Ac)		Mine Plan Summary	Reclamation Plan Summary	1989 Reclamation Costs	Sources / Comments
MQED-4 East Dun	np	name only - no boundary					Final grading w/ D-6 (16 hours) + west end D-8 dozing (12 hours)	Oversize and waste material Load antl Haul 1,000 CY @\$2/CY = \$2,000. Slope grading 850 CY @ \$1.00/CY = \$850. Final grading 815 CY @ \$1.00/CY = \$815	Source: CN-01 application, Exhibits D & L - 4/15/89 Source: CN-01 Bond Calculation - 9/16/89 Need mining and reclamation plans & area delineated
MQD-1 Lower Dump Area - main quarry	MQD-1 Dump No 1 & 2	name only - no boundary	8			but DRMS file copy quality too poor to read	Oversize from this area shall be hauled to the pit floor area. Crusher fines shall be utilized in covering coarse materials on benches and slopes for reclamation/ abandoned quarries are within permit areas	Removal of nonsaleable & oversize	Source: CN-01 application, Exh L - 4/15/89 Source: CN-01 adequacy response #6 - 9/12/89 Need mining and reclamation plans updated & area delineated
Access Roads						,	road will be left In place for access to property. Water bars will be constructed as needed	l '	Source: CN-01 application, Exh D - 4/15/89 Source: CN-01 adequacy response #14 - 9/12/89 Source: CN-01 Bond Calculation - 9/16/89
Pit Lake (Mica Pit)					-0.66	none found	N/A	N/A	June 6, 2010 letter from DWR confirms pit lake existed prior to 1981, no augmentation required (note - no surface area was stated)

PERMIT NUMBER: M-1977-144

SITE: Mica Lode SPECIALIST: TC1

DATE: 12/28/20

			Exh D Area	Area	Google Earth				
Mine Area / Stockpile Pad	Sub-Area	Description referenced in	(Ac) 7.5	(Ac)		Mine Plan Summary This pad is ~90' wide by 250'	Reclamation Plan Summary Stock pile pad which was	1989 Reclamation Costs Rough Grading Pad 6 hours D-6 @	Sources / Comments Source: CN-01 application,
Stockpile Fau		9/16/89 Cost	/.3				omitted in original reclamation	_	Exhibit D - 4/15/89
		Est.			1	now. Fill slope is 1 ½:1 slope			Source: CN-01 Bond
					1	12 - 15' high. Soil is placed	pad are suitable soil for		Calculation - 9/16/89
						on this pad for reclamation.	seeding as well as being 2:1 or	Final Grading & Seed bed prep. 8	Need mining and reclamation
							flatter slopes	hours D-6 @ \$45/hr = \$360	plans & area delineated
							Pad area is suitable material as		
							well, Pad will be sloped to the		
							North for drainage.		
							Fill slope is approximately 15'		
							vertical height on a 1 ½:1 slope. This slope will be graded		
							to 3:1 slope for reclamation,		
							Soil is good In this fill.		
Staging Area		South of Mica				none found	none found	none found	Need mining and reclamation
		Pit, east of MQD-							plans & area delineated
		1 Dump							

TOTAL: 44.1