



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

January 29, 2021

Jerald Schnabel  
Castle Aggregate/Transit Mix Concrete  
549 E Cucharas Street  
Colorado Springs, CO 80903

RE: Hitch Rack Ranch, - File No. P-2014-016,  
Surety Release Request Application (SL-1) Preliminary Adequacy Review

Dear Mr. Schnabel:

On January 4, 2021, the Division of Reclamation, Mining and Safety received your Surety Release Request for the Hitch Rack Ranch Notice of Intent to Conduct Exploration Operations, located in El Paso County. A review of the Permanent Abandonment Final Reports submitted for the seven holes drilled in 2015 found a discrepancy with respect to whether or not water was encountered. Each of the Permanent Abandonment Final Reports has the "Yes" box checked, indicating water was encountered. However, all seven forms specify "NA" for the depth water was encountered, and neither the "Yes" or "No" box as to whether the water was encountered in either Volcanic or Sedimentary Rock. The submittal also provided Drill Hole Completion Reports from Norwest. With the exceptions of the completion reports for HC004-15 and HC005-15, each completion report clearly states "No ground water was encountered". The completion report for HC004-15 states "... possibly some indication of water. but not aquifer". The completion report for HC005-15 makes no mention of groundwater. Based on these completion reports, it appears the wrong box was checked on each of the Permanent Abandonment Final Report forms when addressing whether water was encountered. Please resubmit the Permanent Abandonment Final Reports for each of the seven holes drilled in 2015 to be consistent with the Norwest Drill Hole Completion Reports and include all required information as appropriate on the Permanent Abandonment Final Reports.

The Division conducted an inspection of the site on January 21, 2021. Based on the inspection, I will recommend release of reclamation liability for P-2014-016, once the aforementioned discrepancy with the Permanent Abandonment Final Reports has been resolved. An inspection report for this month's visit to P-2014-016 will be sent under separate cover.

If you have any questions, please contact me.

Sincerely,

Timothy A. Cazier, P.E.  
Environmental Protection Specialist



