

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:	MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
Miller Gravel Pit	M-1982-112	Sand and gravel	Elbert
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring	Amy Eschberger	February 3, 2021	10:30
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Schmidt Construction Company	Dan Chavez, Greg Olson, Mark Heifner	112c - Construction Regular Operation	
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program	Partial	\$146,646.00	
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGE	NCY:
NA	None	None	
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DAT	E:
Clear	any Exchanger	February 10, 2021	

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

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

OBSERVATIONS

This was a courtesy inspection of the Miller Gravel Pit (Permit No. M-1982-112) conducted by Amy Eschberger of the Division of Reclamation, Mining and Safety to assess reclamation completed and discuss concerns expressed by the landowner. The site is located approximately 13 miles north of Elizabeth, CO in Elbert County. The site can be accessed from the west via Hunt Circle, which intersects Co Rd 21 to the west. The site can also be accessed from the south via Co Rd 174. It should be noted, the southern permit boundary of this site is located directly adjacent to a 110c permit called the Big R Pit (Permit No. M-1988-052), which is operated by Colorado Farms LLC. The operator was represented during the inspection by Dan Chavez, Greg Olson, and Mark Heifner. The landowner, Colorado Farms LLC was represented by Branko Mocevic for the first part of the inspection. **Photos 1-28** taken during the inspection are included with this report.

This is a 112c operation permitted for 69.2 acres to mine sand and gravel (see enclosed Google Earth image of site). While Schmidt Construction Company (SCC) has been mining the site for some years, the permit was previously held by Rick L. Hunt (also the landowner). After the death of Mr. Hunt in 2015, his Estate temporarily managed the permit while SCC continued mining activities. The affected lands were eventually purchased through an auction by Colorado Farms LLC. The new landowner had no interest in taking over the permit, but signed a one year lease agreement with SCC to continue mining the site. In March of 2018, SCC took over the permit from the Estate of Rick L. Hunt. However, in December of 2018, the landowner decided not to renew the mining lease and allowed SCC continued right of entry only for reclamation activities. Therefore, no mining activities have occurred since that time. The operator has been selling off stockpiled material, removing equipment, and performing final reclamation at the site since 2019.

The Division approved an acreage reduction for the site on February 12, 2019 (AR-1), which released 61 acres from the eastern and northeastern portions of the permit area (see enclosed map submitted with AR-1). A small portion of the released land (to the northeast) was mined under this permit in the 1990's and early 2000's then reclaimed; however, the majority of the released land was never disturbed by the mining operation. The undisturbed eastern lands had been added to the permit in 2007 (through Amendment No. 1) with the expectation this area would be mined. However, it was no longer necessary to keep these lands in the permit area after the site entered final reclamation in December of 2018.

The approved post-mining land use for the site is rangeland, The approved reclamation plan calls for grading all disturbed slopes to 3H:1V or flatter, replacing a minimum depth of 6 inches of topsoil on disturbed land, and revegetating the land with alfalfa. The final pit floor will be graded to slope gently toward the west to create positive drainage toward Running Creek. The private dirt road that crosses the permit area will be relocated during mining, and will remain after reclamation for use by the landowner. Any fences located within the permit area will be removed or relocated as needed during mining and reclamation.

At the time of the inspection, the weather was clear and windy and the ground was dry. A permit sign was posted at the southern entrance to the site off Co Rd 174. The affected land boundary was delineated with barbed wire fencing. Reclamation activities were in progress during the inspection. The processing plant and all product stockpiles have been removed from the pit floor and this area was being graded and retopsoiled. In the area located north of the access road where overburden and topsoil stockpiles were stored, all but one large topsoil stockpile have been removed and used for reclamation. The operator was hauling off from the topsoil stockpile during the inspection, and placing this material in the former processing/stockpiling area located south of the access road. The area between the topsoil stockpile and the access road was being graded during the inspection. Approximately 90% of the southern highwall has been backfilled and graded to 3H:1V or flatter. The scale and office have been removed from the southwestern corner of the permit area.

The area around the large topsoil stockpile has been excavated down by approximately 5-8 feet. Once the topsoil stockpile has been removed, the area beneath it can be excavated and the material used as fill to create positive drainage to the west. A small wash pond remains in the area west of the large topsoil stockpile. Based on an aerial image of the site from June 4, 2020 (available in Google Earth), the pond was approximately 0.30 acre in size. However, the operator has recently backfilled a portion of the pond and may backfill it entirely if the landowner decides not to take over the water rights for the exposed groundwater. According to the permit file, the operator has a valid well permit, augmentation decree and water lease agreement with the Town of Elizabeth which more than covers the amount of exposed groundwater at the site.

The operator expects to complete all reclamation earthwork by the end of March this year, and to seed the site this spring. As mentioned above, the current revegetation plan calls for planting alfalfa. However, the operator may submit a Technical Revision to revise the revegetation plan to include grasses. This change in the revegetation plan would be more consistent with the post-mining land use of rangeland and would also provide for better erosion control (particularly on pit slopes). If the operator plans to seed the site this spring, the Division recommends the Technical Revision be submitted as soon as possible to allow time for it to be reviewed and approved prior to seeding.

During the inspection, Mr. Mocevic (the landowner) expressed his dissatisfaction with the way the lands located northeast of the permit area had been reclaimed, particularly with regard to the grading. The landowner would like for the operator to place fill material from the mine site into this area and regrade it for positive drainage to the north. This area was reclaimed almost 20 years ago and was part of the land released in 2019 with the Division's approval of AR-1. The landowner was noticed of AR-1 but did not submit comments or objections to the release. On January 25, 2019, the Division inspected the lands requested for release and found them to be undisturbed by the operation or reclaimed in accordance with the approved reclamation plan. Now that these lands have been released from the permit area, the operator is not authorized to redisturb them. Additionally, all available material at the mine site must be used for reclaiming disturbed lands within the permit area. If any excess material remains after all required earthwork has been completed at the mine site, the operator may then provide this material to the landowner. The operator has offered to rework the offsite lands under a separate contract with the landowner, by removing all or a portion of the existing northern berm and using this material to create positive drainage to the north. These activities would not require additional permitting through our Office, as long as the excavated material does not leave the property.

The required financial warranty for this site was increased to \$146,646.00 in 2017 to cover approximately 64 acres of disturbance. Given the significant amount of reclamation work completed at the site since that time, the currently held financial warranty is considered sufficient for completing reclamation of the site in accordance with the approved reclamation plan.

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 <u>amy.eschberger@state.co.us</u>.

PHOTOGRAPHS



Photo 1. View looking south across northeastern portion of permit area, where overburden stockpiles were removed and used for reclamation and the underlying area graded. The operator may add additional fill in this area to create better drainage.



Photo 2. View looking west across northern portion of permit area, where overburden stockpiles were removed and used for reclamation and the underlying area graded. Note large topsoil stockpile (in background) which remains in this area.



Photo 3. View looking southwest at large topsoil stockpile that remains in northern portion of permit area. This material was being placed in the former processing/stockpiling area during the inspection.



Photo 4. View looking northwest across excavated area in northwestern portion of permit area. All slopes in this area will be graded 3H:1V or flatter and the area graded for positive drainage to the west.



Photo 5. View looking west across excavated area in northwestern portion of permit area. All slopes in this area will be graded 3H:1V or flatter and the area graded for positive drainage to the west.



Photo 6. View looking southwest across excavated area in northwestern portion of permit area. All slopes in this area will be graded 3H:1V or flatter and the area graded for positive drainage to the west. Note small wash pond that remains in this area (indicated).



Photo 7. View looking south across eastern edge of excavated area in northwestern portion of permit area. Note large topsoil stockpile that remains, at left. All slopes in this area will be graded 3H:1V or flatter and the area graded for positive drainage to the west.



Photo 8. View looking northwest across northern portion of permit area, where overburden stockpiles were removed and used for reclamation and the underlying area graded. Note large topsoil stockpile (in background) which remains in this area.



Photo 9. View looking north across northern portion of permit area where overburden stockpiles were removed and used for reclamation and the underlying area graded. Continued grading activities were occurring in this area during the inspection.



Photo 10. View looking northwest across northern portion of permit area where overburden stockpiles were removed and used for reclamation and the underlying area graded. Note continued grading activities occurring in this area during the inspection.



Photo 11. View looking west across access road (relocated in 2011) which crosses the permit area, separating the overburden/topsoil stockpiling area to the north (right) from the pit and processing areas to the south (left). This road will remain after reclamation.



Photo 12. View looking east across access road (relocated in 2011) which crosses the permit area, separating the overburden/topsoil stockpiling area to the north (left) from the pit and processing areas to the south (right). This road will remain after reclamation.



Photo 13. View looking south across former processing/stockpiling area where all equipment and stockpiles have been removed. The operator was grading and retopsoiling this area during the inspection.



Photo 14. View looking south across former processing/stockpiling area where all equipment and stockpiles have been removed. The operator was grading and retopsoiling this area during the inspection.



Photo 15. View looking southwest across former processing/stockpiling area where all equipment and stockpiles have been removed. The operator was grading and retopsoiling this area during the inspection.



Photo 16. View looking southeast across eastern portion of pit where the southern highwall has been graded to 3H:1V or flatter and has good grass growth in some areas. The pit floor will require retopsoiling and revegetation.



Photo 17. View looking northeast across southern highwall which has been backfilled and graded to 3H:1V or flatter.



Photo 18. View looking southwest across southern highwall which has been backfilled and graded to 3H:1V or flatter.



Photo 19. View looking north across site from top of southern highwall. For reference, location of remaining topsoil stockpile indicated in background.



Photo 20. View looking northeast across southern highwall which has been backfilled and graded to 3H:1V or flatter.



Photo 21. View looking southwest across southern highwall which has been backfilled and graded to 3H:1V or flatter. Note truck hauling backfill material to area and dozer grading slope during inspection.



Photo 22. View looking southwest at most recently mined southwestern edge of highwall, which will be backfilled and graded to 3H:1V or flatter.



Photo 23. View looking west from top of southern highwall across southwestern portion of pit. Note western pit wall (in background) backfilled and graded to 3H:1V or flatter.



Photo 24. View looking north from top of southern highwall across southern portion of pit. Note highwall (in foreground) graded to 3H:1V or flatter.



Photo 25. View looking southwest at area located south of pit (within permit area) where various pieces of equipment and other materials not related to the mining operation were left by previous landowner. This area is being cleaned up by the new landowner.



Photo 26. View looking south at area located south of pit (within permit area) where various pieces of equipment and other materials not related to the mining operation were left by previous landowner. This area is being cleaned up by the new landowner.



Photo 27. View looking northeast across land located northeast of permit area which was released from the permit in 2019 through AR-1. The landowner would like this area to be reworked to create positive drainage. However, the operator is not authorized to redisturb or place reclamation material in this area under the current permit.



Photo 28. View looking east across land located northeast of permit area which was released from the permit in 2019 through AR-1. The landowner would like this area to be reworked to create positive drainage. However, the operator is not authorized to redisturb or place reclamation material in this area under the current permit.

Inspection Contact Address

Scott Davis Schmidt Construction Company 2635 Delta Drive Colorado Springs, CO 80910

- Encls: Google Earth image of site Site map submitted with AR-1
- CC: Mark Heifner Stefan Mocevic, Colorado Farms LLC Michael Cunningham, DRMS

M-1982-112 / Miller Gravel Pit / Schmidt Construction Company (112c)

Red outline = 69.2 acres = Approved Permit Area (location approximated based on AR-1 map) Blue outline = 0.30 acres = Wash pond surface area (actual size may be reduced from partial backfilling) Yellow line = Approximate trace of pit highwalls (Image data from 6/4/2020)



Hunt-Cir







Miller Gravel Pit (M-1982-112)

UPDATED: December 2018 SCALE 1"=500'

SHEET 1 of 1

Partial Release Map December 2018