




MINERALS PROGRAM INSPECTION REPORT

PHONE: (303) 866-3567

The Division of Reclamation, Mining and Safety 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: DPG Pit	MINE/PROSPECTING ID#: M-2019-028	MINERAL: Sand and gravel	COUNTY: Weld
INSPECTION TYPE: Monitoring	INSPECTOR(S): Peter Hays	INSP. DATE: May 26, 2021	INSP. TIME: 10:30
OPERATOR: J-2 Contracting Company	OPERATOR REPRESENTATIVE: Chris Leone, J.C. York	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$984,566.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: June 18, 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----- <u>Y</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</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 / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

The DPG Pit was inspected by Peter Hays with the Division of Reclamation, Mining and Safety (Division/DRMS) in response to the submittal of a technical revision request by the Operator. The site was previously inspected by the Division for the pre-operational inspection on August 20, 2019. Mr. Chris Leone with J-2 Contracting Co. and Mr. J.C. York with J&T Consulting, Inc. were present during the inspection.

The site is an 112c regular construction materials operation permitted for 227.52 acres. The site is located approximately 4.5 miles east of Greeley, CO in Weld County. The Operator submitted technical revision no. 1 (TR-01) on April 28, 2021. The Division is required by Rule 1.9 to act on a technical revision within thirty (30) days after being filed with the Division. On May 26, 2021, the Operator submitted a 30-day decision date extension request nullifying the automatic approval provision in Rule 1.9. The current decision date is June 28, 2021.

The technical revision proposes to update the existing permit to address the following items:

1. Revision to the permit boundary to remove/replace an area with another area but keep the total acreage the same as the existing permit.
2. Revision to the Mining Plan to update the mine phasing.
3. Revision to the Reclamation Plan to update the reclamation for the updated phasing and water storage reservoirs.
4. Revision to the reclamation bond calculations for the updated mine phases.

Item #1 – Permit Boundary Adjustment

The Operator requested a revision to the permit boundary to remove/replace an area with another area but keep the total acreage the same as the existing permit in the technical revision request. The Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials (Rules) does not allow for increasing the affected acreage through the technical revision process or for swapping permitted acreage for lands not included in the approved permit boundary.

Rule 1.1(6) states an "Amendment" means a change in the permit or an application which increases the acreage of the affected land, or which has a significant effect upon the approved or proposed Mining Plan or Reclamation Plan.

As discussed during the site inspection, the Division will require the Operator to submit an amendment application pursuant to Rule 1.10 to add the 0.9 acres for the lateral ditch to the permit boundary or revise the technical revision to remove the request for the acreage swap in the technical revision.

On June 4, 2021, the Operator submitted a letter withdrawing the request to revise the permit boundary and provided updated maps removing the requested acreage swap.

The remaining three items (Items #2-4) are currently under review by the Division. Any questions regarding the technical aspects of the items will be addressed by the Division in the adequacy review letter, which will be sent under separate cover.

The approved post-mine land use for the site is developed water resource. The slurry wall installation was occurring during the inspection. The installation started on the north end of Phase 2 and was planned to proceed counter-clockwise around the Phase 2 and Phase 5. A 120 feet wide corridor was established around

the perimeter of Phase 2 for the slurry wall installation by stripping the topsoil from the area. The stripped topsoil was stockpiled along the perimeter of the corridor. Additionally, the haul road through the revised Phase 4 and the equipment storage area located in the southwest corner of Phase 4 were stripped of topsoil. The stripped topsoil was stockpiled adjacent to these areas.

The Division currently hold a financial warranty in the amount of \$984,566.00, which is adequate to reclaim the site based on the observation from this inspection.

The required mine sign was observed and the site boundaries were delineated as required by Rule 3.1.12.

Photographs taken during the inspection are attached. If you need additional information or have any questions, please contact me at Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at 303.866.3567 x 8124, or by email at peter.hays@state.co.us.

Inspection Contact Address

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PHOTOGRAPHS



DPG Pit mine sign



View of stripped equipment storage area in Phase 4 looking northeast from the southwest corner of the area



View of the stripped 120' slurry wall installation corridor



View of the slurry wall installation in the northwest corner of Phase 2