




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: Lamb Lakes	MINE/PROSPECTING ID#: M-2018-039	MINERAL: Aggregate	COUNTY: Larimer
INSPECTION TYPE: Monitoring	INSPECTOR(S): Amy Eschberger	INSP. DATE: May 26, 2021	INSP. TIME: 10:30
OPERATOR: North Weld County Water District	OPERATOR REPRESENTATIVE: Julie Mikulas	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$0.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: August 17, 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>N</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

This inspection of Lamb Lakes (Permit No. M-2018-039) was conducted by Amy Eschberger of the Division of Reclamation, Mining and Safety (Division) in conjunction with a surety release inspection of the Home Office Mine (Permit No. M-1977-439; operated by Martin Marietta Materials, Inc.), which covered the Lamb Lakes permit area. The Division approved an acreage reduction (AR-4) for the Home Office Mine on May 28, 2021, which removed the Lamb Lakes permit area from that permit. The Home Office Mine permit area now abuts to the northern and northwestern permit boundaries of the Lamb Lakes permit area. The Division was accompanied by Julie Mikulas (from Martin Marietta Materials, Inc.) during the inspection. The site is located approximately one mile north of Fort Collins, CO in Larimer County. The site is accessed by turning east off N Taft Hill Rd and travelling approximate 0.25 mile through the Home Office Mine permit. **Photos 1-12** taken during the inspection are included with this report.

This is a 112c operation permitted for 128.8 acres to mine aggregate for construction use. The site is situated directly west/southwest of the Cache La Poudre River and directly east and north of the Fort Collins Irrigation Ditch. The Poudre River Trail (owned by the City of Fort Collins) crosses the site from west to east then turns southeast to run along the eastern edge of the site (adjacent to the river). Only a small portion of this trail is included in the permit area, at the eastern edge of the site where a construction bridge (used to access the southern portion of the permit area) crosses the trail. Previous mining at the site (under the Home Office Mine permit) left three groundwater ponds, designated (from north to south) as Lamb Lake A, Lamb Lake B, and Lamb Lake C. The ponds are approximately 25 feet deep, with side slopes graded to 3H:1V. The pond slopes are stabilized by grasses and forbs. Also, many shrubs and trees have established around the ponds. The trees consist of cottonwoods, elms, willows, and Russian olives. Reclamation of the ponds was completed many years ago.

The approved post-mining land use for the site is developed water resources. North Weld County Water District permitted this site in 2018 with plans to dewater the ponds, mine additional aggregate material from the pit floors, and install a slurry wall liner around the perimeter of the ponds to create water storage reservoirs. Some material processing may occur on site. Material stockpiles will be temporarily stored on the pit floor or immediately used for reclamation (e.g., regrading pit slopes). Minor additional disturbances are anticipated in the areas around the ponds. A scale and scale house may be installed in the unvegetated area located at the northern edge of the permit area. Water from dewatering operations will be discharged to the adjacent river under a CDPHE discharge permit.

The existing ponds are estimated to cover approximately 21 acres (Lamb Lake A), 41 acres (Lamb Lake B), and 17 acres (Lamb Lake C). There are no plans to expand the ponds as mining will only occur on the pond floors (increasing the pond depths). The operator has a Substitute Water Supply Plan (SWSP) in place with the Division of Water Resources (effective April 1, 2021 through December 31, 2021), which covers evaporative depletions for Lamb Lakes B and C. No replacement of evaporative depletions is required for Lamb Lake A, as this groundwater was exposed prior to 1981. According to the SWSP, the operator obtained a conditional water right for the future lined reservoirs (collectively known as the Overland Trail Reservoirs) in water court case no. 2000CW251. The current SWSP only covers evaporative losses from exposed groundwater surface areas and lagged depletions. It does not cover depletions associated with water removed in the mined product, or water used for any other purposes such as for dust control or slurry wall construction. Therefore, prior to initiating the planned dewatering and mining activities, the operator will need to obtain a SWSP that covers these activities.

The Division's approval of this permit included the following two conditions:

- 1) Prior to initiating dewatering operations, slurry wall construction, and mining, the operator shall submit

and receive approval of a Technical Revision to the groundwater monitoring plan. This revision shall include the results of the baseline water level sampling, final monitoring well locations and construction information, and trigger levels for possible mitigation and baseline water levels, if possible, for any wells within 600 feet of the pit edge on the west side of the Cache La Poudre River.

- 2) Prior to slurry wall installation and excavation, the operator shall submit and receive approval of a Technical Revision to Exhibit S for Permanent Man-made Structures. This revision shall include the results and findings of the stability analysis to be conducted after pit dewatering in accordance with Rule 6.4.19(b).

The approved groundwater monitoring plan includes installing 8 monitoring wells at the site and collecting baseline data on a quarterly basis for a minimum of 18 months prior to additional mining and reclamation activities. Based on the most recent annual report submitted in February of this year, the groundwater monitoring plan has not yet been initiated at the site and dewatering of the ponds has not occurred. The Division saw no evidence during the inspection indicating activities have recommenced at the site. The Division also did not observe any installed groundwater monitoring wells.

The Division does not hold a Financial Warranty for this permit since the operator is a unit of municipal government, in accordance with Rule 4.1.2(2).

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 amy.eschberger@state.co.us.

PHOTOGRAPHS



Photo 1. View looking northeast across unvegetated area at northern edge of permit area to be used for equipment storage and scale/scale house.



Photo 2. View looking southwest across Lamb Lake A. Note pond shorelines stable with good vegetative cover including grasses, forbs, shrubs, and trees.



Photo 3. View looking west across northern portion of Lamb Lake A. Note pond shorelines stable with good vegetative cover including grasses, forbs, shrubs, and trees.



Photo 4. View looking southeast (downstream) at portion of Cache La Poudre River located within permit area (east of Lamb Lake A).



Photo 5. View looking west across northeastern shoreline of Lamb Lake A. Note pond shorelines stable with good vegetative cover including grasses, forbs, shrubs, and trees.



Photo 6. View looking south across Lamb Lake A. Note pond shorelines stable with good vegetative cover including grasses, forbs, shrubs, and trees.



Photo 7. View looking west from top of construction bridge at Poudre River Trail, which crosses site between Lamb Lakes A and B. Southern edge of Lamb Lake A visible in background, at right.



Photo 8. View looking southwest from top of construction bridge at northern edge of Lamb Lake B.



Photo 9. View looking northeast across portion of Poudre River Trail which runs along outside edge of eastern permit boundary (adjacent to Lamb Lakes B and C).



Photo 10. View looking southwest across Lamb Lake C. Note pond shorelines stable with good vegetative cover including grasses, forbs, shrubs, and trees.



Photo 11. View looking south across Lamb Lake C. Note pond shorelines stable with good vegetative cover including grasses, forbs, shrubs, and trees.



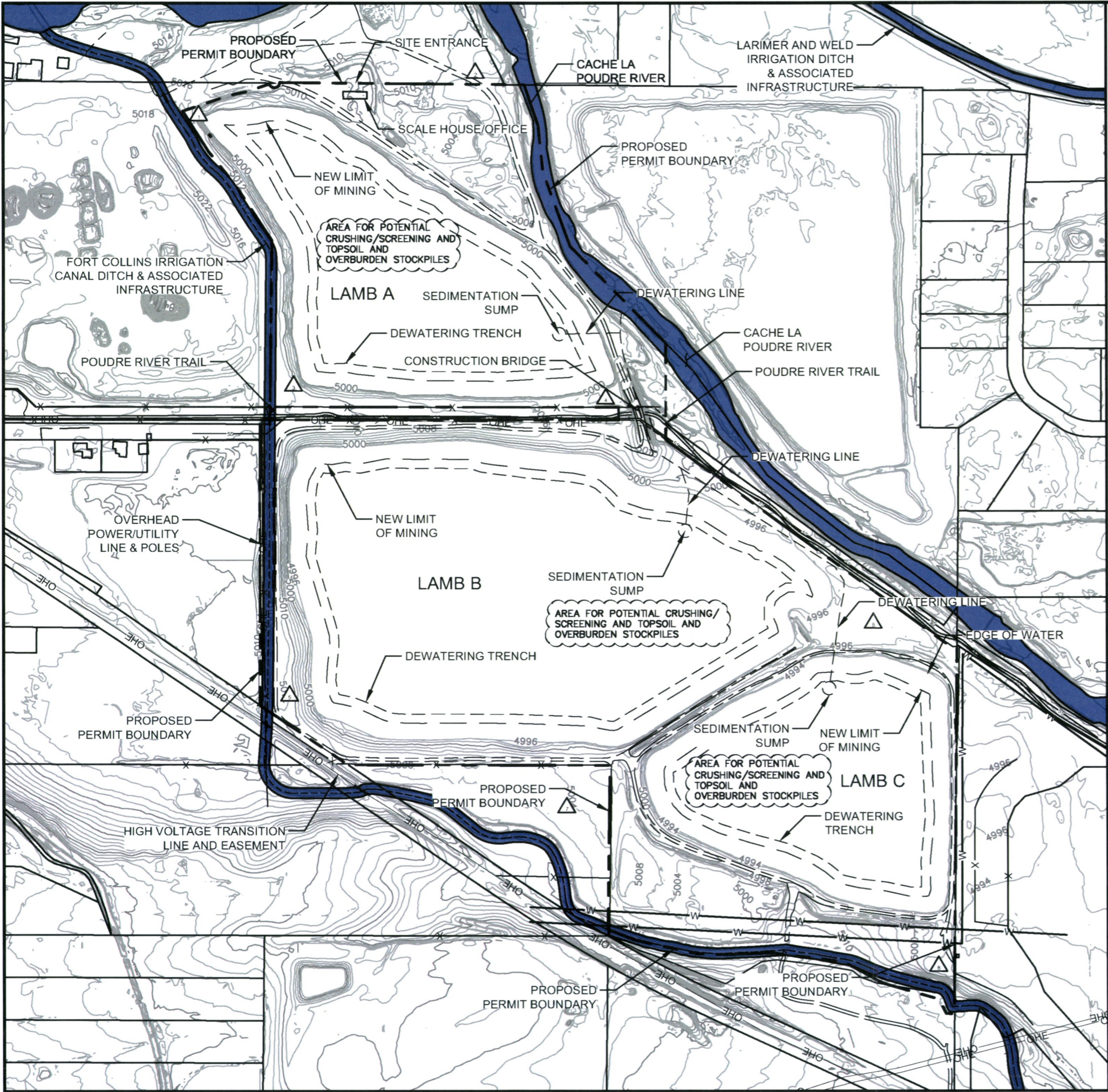
Photo 12. View looking northwest from access road, showing orange post (circled) marking northern permit boundary (adjacent to Home Office Mine permit).

Inspection Contact Address

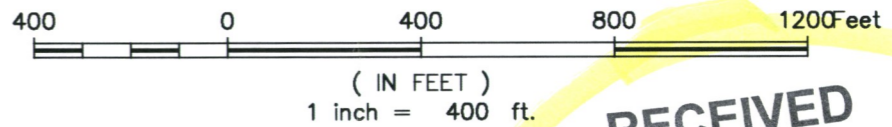
Richard Raines
North Weld County Water District
4424 Laporte Avenue
Fort Collins, CO 80521

Encls: Approved mining plan map
 Approved reclamation plan map

CC: Bill Schenderlein, Blue Earth Solutions, LLC
 Julie Mikulas, Martin Marietta Materials, Inc.
 Michael Cunningham, DRMS



SCALE: _____



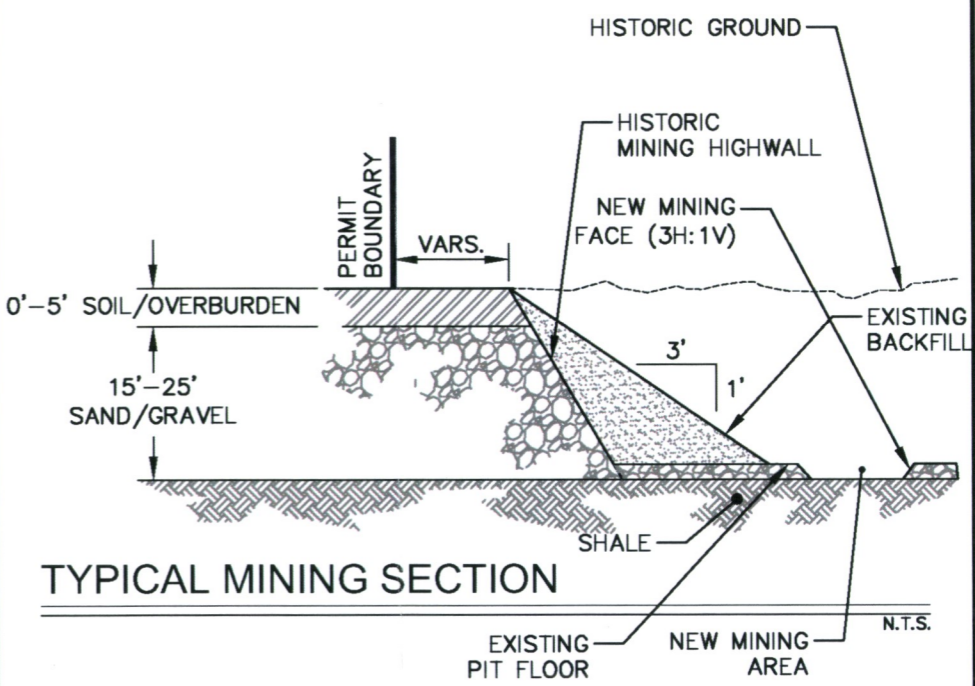
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OCT 16 2018
x all maps 8.5x14 or smaller!
DIVISION OF RECLAMATION
MINING AND SAFETY

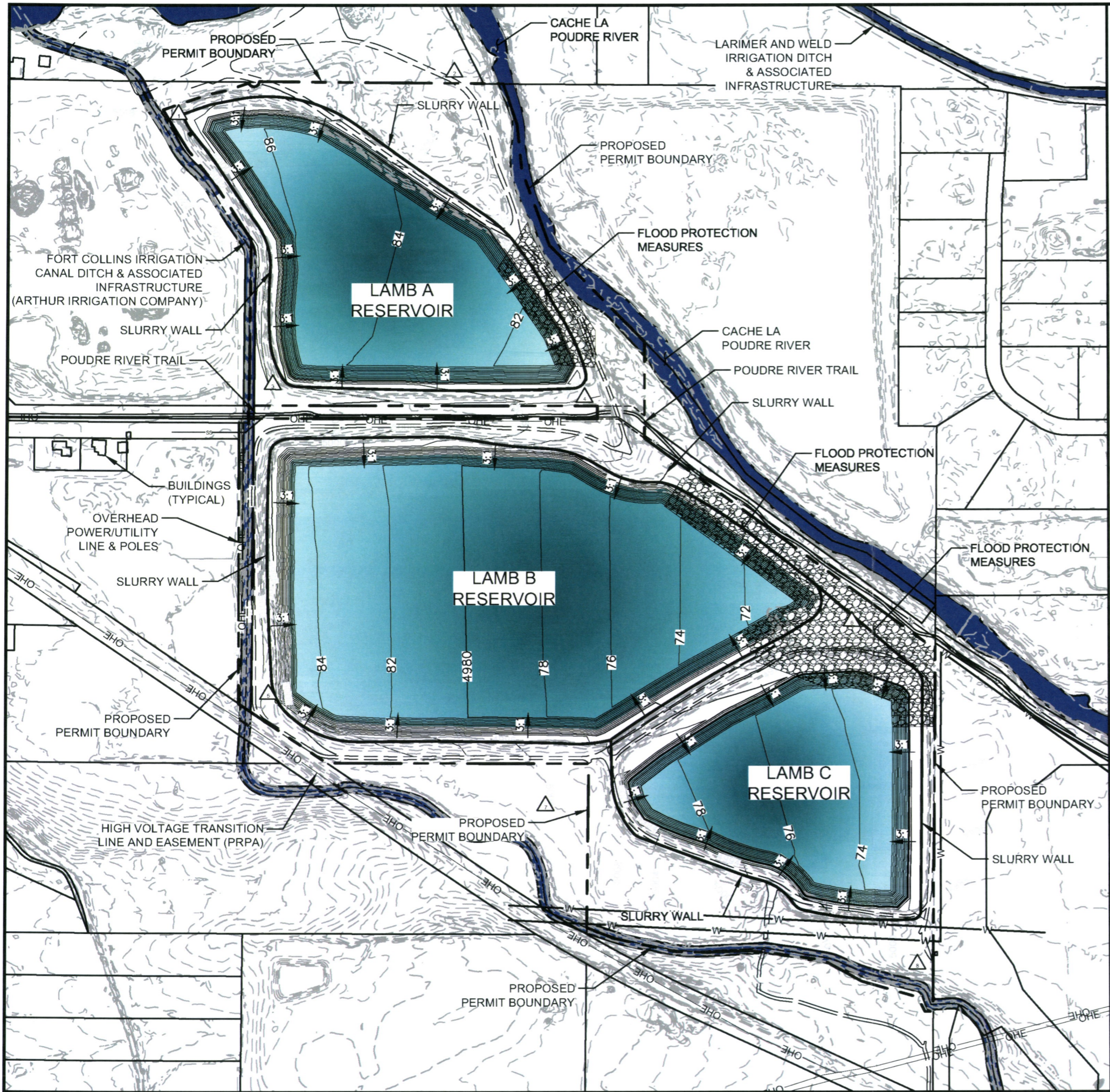
LEGEND:

- Proposed Permit Boundary
- New Mining Limit
- △ Proposed Monitoring Well Location

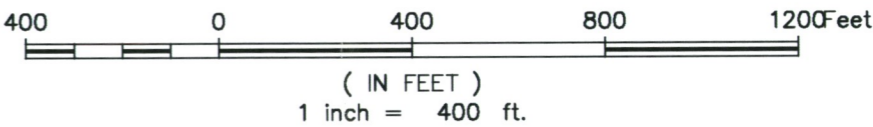
NOTES:

1. Previous mining created three mine pits from 15 to 25 feet deep that now exist as groundwater lakes.
2. All mining highwalls have been backfilled and sloped.
3. Additional grading of slopes and pit bottoms may occur to facilitate reservoir infrastructure and drainage.
4. Best Management Practices will be used to limit discharge of sediment onto adjacent properties and waterways.





SCALE:



LEGEND:

- Proposed Permit Boundary
- Proposed Slurry Wall
- △ Proposed Monitoring Well Location

NOTES:

1. Lamb Lakes reservoir shall be constructed to meet State Engineer's Office operational performance standards.
2. Flood protection measures shall be installed prior to final reclamation.
3. In preparation for slurry wall construction, a combination road and working pad will be graded along the slurry wall alignment. The grading will produce a relatively flat, stable surface approximately 50 to 100 feet in width.
4. Slurry wall construction includes a 3 to 5-foot wide trench keyed a minimum of 2 feet into shale bedrock.
5. Slurry wall constructed with bentonite slurry, a blend of soil excavated from the trench, dry bentonite, and borrow soils.
6. Final slopes will have 3H:1V grade or flatter.
7. Best Management Practices will be used to control erosion and suspended sediment runoff from the site during reclamation activities.

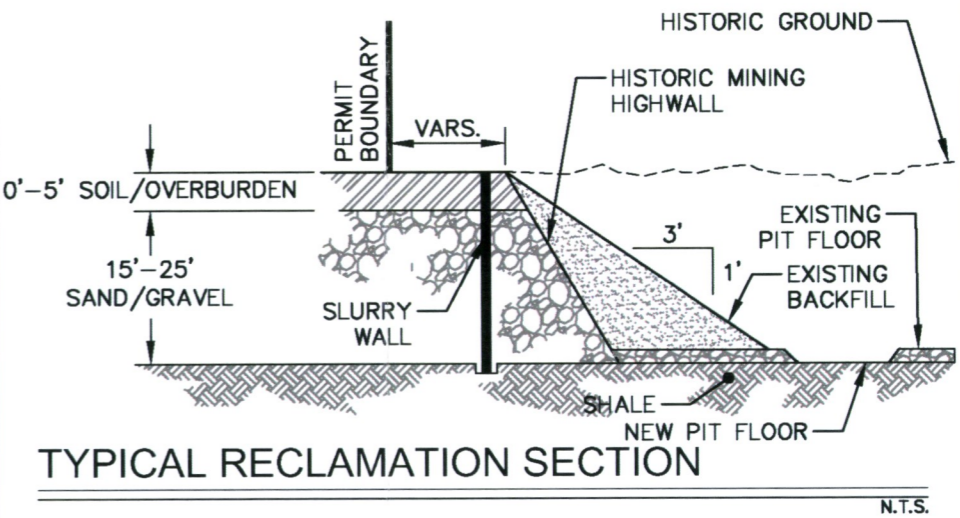


EXHIBIT F-1

LAMB LAKES
NORTHERN WELD COUNTY
WATER DISTRICT
LARIMER COUNTY, CO

SHEET 1
OF 1

October 2018