

September 16, 2021

Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

RE: DRMS Annual Report - Carbon Valley Resource, Permit M-2001-017 Anniversary Date: September 19

Dear Division:

L.G. Everist, Inc. respectfully submits this cover letter, mine map, and groundwater monitoring data to accompany the online submittal of the DRMS Annual Report for Carbon Valley Resource, Permit M-2001-017. The annual fee has been paid online with a credit card.

Mining and Reclamation Activity

Mining operations progressed slowly in the Carbon Valley Resource site during this reporting year. Sand and gravel processing is done with portable equipment. Mining continued in the same area as last year, just deeper. In the coming year, we plan to open new ground in the south end of the mine area.

No new reclamation work was done in 2021 (there was sloping done the previous year). We hope to reclaim some perimeter slopes this coming year - with backfilling and sloping, then topsoiling and seeding. Weed management continues throughout the site, and throughout the years, as required.

Refer to the online report and the mine site map for areas and acreages.

Groundwater Monitoring

Analysis of the groundwater monitoring data shows that all the groundwater levels in the wells around the Carbon Valley Resource site are in compliance. Two wells had very slight, short-term fluctuations outside their baseline ranges, but the fluctuations did not adversely affect anyone, so there are no compliance issues. We will continue to monitor groundwater monitoring wells on a monthly basis.

Monitoring Wells MW01, MW02, MW03, MW05, MW07 have stayed within their baseline ranges every month and so are in compliance.

Monitoring Well MW04 was very slightly out of baseline range for Apr-2021 and May-2021. It came back within its baseline range the following month, and has remained in range. This well is located outside of the mining area, on the south side of the Last Chance Ditch, and not near any homes. The slight fluctuation did not adversely affect anyone. Our mining activity is still fairly distant from this well, and on the opposite side of an irrigation ditch, so likely is not the cause of the fluctuation. As a note, the Town of Firestone has been working near the well, constructing the systems for their water storage reservoir to the east. Regardless, the well is within its baseline range, and therefore in compliance.



RE: DRMS Annual Report - Carbon Valley Resource, Permit M-2001-017 Anniversary Date: September 19

Monitoring Well MW06 had one month out of its baseline range (Oct-2020), but was back within its baseline range the following month. The well is located over 1000 feet away from the current permit area. The well is located so far from the current mine activity that fluctuations in groundwater levels would be caused by outside factors, such as nearby ditches. The minimal fluctuation has not adversely affected any neighbors. Therefore, there are no compliance issues.

Please see the following pages for the groundwater monitoring data and monitoring well map.

If you have questions, feel free to contact me at 303-286-2247, or Imshults@lgeverist.com.

Sincerely

Lynn Mayer Shults Regulatory Manager

Attachments:

- Carbon Valley Resource - Exhibit E-1, Reclamation Plan Map

- Groundwater Monitoring Data

- Groundwater Monitoring Well Map



L.G. Everist, Inc. - Carbon Valley Resource (M-2001-017) - Groundwater Monitoring Well Data

	MONITOR WELL NO.	MW-01	MW-02	MW-03	MW-04	MW-05	MW-06	MW-07
	NORTHING, FT	1,307,353.84	1,306,390.31	1,305,531.41	1,305,207.10	1,306,084.75	1,307,521.49	1,307,522.07
	EASTING, FT	3,156,990.45	3,156,962.85	3,156,965.85	3,157,915.49	3,159,231.68	3,159,255.52	3,158,242.86
	ELEVATION (TOG), FT	4,814.364	4,820.651	4,824.874	4,827.098	4,819.53	4,819.87	4,816.45
	CASING HEIGHT, FT	4.34	2.48	(2.59)	2.45	2.56	2.22	2.70
	ELEVATION (TOC), FT	4,818.702	4,823.127	4,822.280	4,829.552	4,822.10	4,822.09	4,819.15
		MW-01	MW-02	MW-03	MW-04	MW-05	MW-06	MW-07
	HIGH (max of first 2 yrs + 2)	4,812.60	4,816.83	4,819.18	4,820.95	4,816.25	4,807.19	4,800.3
	LOW (min of first 2 yrs - 2)	4,800.50	4,804.83	4,812.98	4,816.30	4,811.20	4,801.57	4,790.6
	c /c /2017	1 800 60	4,813.93	4 917 10	4.818.35	<<< INITIAL READING		
	6/6/2017 7/6/2017	4,809.60 4,810.60	4,813.93	4,817.18 4,816.58	4,818.55	<<< INITIAL READING		
2017	8/7/2017	-	4,814.58	4,816.88	4,818.75			
2017	9/5/2017	4,810.60	4,814.73	4,816.78	4,818.80	all wells m	iust have a 2-year baseli	ne period
	10/4/2017	4,810.55	4,814.83	4,816.98	4,818.95	to establish background elevations on which		
	11/3/2017	4,809.80	4,814.03	4,816.33	4,818.55		determine basline dept	
	12/1/2017	4,808.95	4,813.68	4,816.18	4,818.45	10	determine busine dept	15
	1/8/2018	4,808.95	4,813.58	4,816.08	4,818.45			
2018	2/9/2018	4,803.95	4,813.13	4,815.98	4,818.40			
	3/7/2018	4,802.50	4,812.13	4,815.78	4,818.35			
	4/4/2018	4,803.05	4,806.83	4,815.53	4,818.40			
	5/9/2018	4,802.55	4,807.63	4,815.33	4,818.40			
	6/11/2018	4,804.25	4,807.93	4,815.28	4,818.30	4,813.95	4,805.19	4,798.35
	7/2/2018	4,803.15	4,808.48	4,815.48	4,818.60	4,814.20	4,805.14	4,798.25
	8/14/2018	4,810.50	4,810.18	4,815.73	4,818.75	4,814.25	4,804.84	4,795.20
	9/6/2018	4,810.50	4,809.98	4,815.83	4,818.85	4,814.25	4,804.89	4,797.80
	10/19/2018	4,809.40	4,808.98	4,815.38	4,818.70	4,814.15	4,804.79	4,795.90
	11/16/2018	4,808.90	4,808.88	4,815.33	4,818.70	4,814.10	4,804.79	4,796.00
	12/3/2018	4,808.65	4,808.83	4,815.33	4,818.65	4,813.95	4,804.54	4,795.50
2019	1/10/2019	4,808.40	4,808.63	4,815.23	4,818.55	4,813.75	4,804.29	4,794.70
	2/15/2019	4,808.35	4,808.58	4,815.28	4,818.60	4,813.65	4,803.99	4,794.45
	3/12/2019	4,808.30	4,808.48	4,815.23	4,818.55	4,813.65	4,803.84	4,794.40
	4/9/2019	4,808.40	4,808.38	4,815.23	4,818.55	4,813.80	4,803.94	4,793.40
	5/22/2019	4,808.45	4,808.53	4,815.23	4,818.45	4,813.85	4,803.79	4,793.65
	6/5/2019	4,808.70	4,808.33	4,814.98	4,818.35	4,813.70	4,804.19	4,793.95
	7/10/2019	4,810.73	4,809.45	4,815.18	4,818.50	4,813.96	4,805.03	4,794.72
	8/7/2019	4,809.55	4,808.88	no reading	no reading	4,814.10	4,804.99	4,794.27
	9/10/2019	4,809.15	4,808.70	no reading	no reading	4,814.08	4,804.94	4,794.25
	10/8/2019	4,808.73	4,808.53	no reading	no reading	4,813.82	4,804.41	4,794.41
	11/7/2019	4,808.52	4,808.41	no reading	no reading	4,813.70	4,804.19	4,793.95
2020	12/11/2019	4,808.14	4,808.16	no reading	no reading	4,813.50	4,803.97	4,794.38
	1/13/2020	4,808.00	4,808.03	no reading	no reading	4,813.35	4,803.73	4,792.97
	2/12/2020	4,807.90	4,807.98	no reading	no reading	4,813.20	4,803.57	4,792.65
	3/16/2020	4,808.12	4,808.13	4,814.35	4,818.40	4,813.20	4,803.76	4,792.84
	4/29/2020	4,808.12	4,808.13	4,815.03	4,818.34	4,813.30	4,803.81	4,792.70
	5/29/2020	4,808.82	4,808.22	4,814.29	4,817.56	4,813.49	4,804.28	4,793.64
	6/25/2020	4,810.25	4,809.02	4,814.63	4,817.65	4,813.76	4,804.46	4,793.90
	7/23/2020	4,809.35	4,808.62	4,814.46	4,817.63	4,814.00	4,804.86	4,795.00
	8/20/2020	4,810.27	4,808.87	4,814.00	4,817.56	4,814.16	4,805.07	4,797.20
	9/22/2020	4,808.73	4,808.59	4,813.83	4,817.53	4,813.89 4,813.54	4,806.24 4,809.24	4,797.73
	10/28/2020	4,808.45	4,808.11	4,813.53	4,817.30			4,798.15
	11/18/2020 12/14/2020	4,808.28 4,808.09	4,807.96 4,808.16	4,813.47 4,813.39	4,817.31 4,816.81	4,813.48 4,814.06	4,804.19 4,803.98	4,794.50
2021	1/20/2021	4,808.09	4,808.16	4,813.39	4,816.81	4,814.06	4,803.47	4,797.54
	2/26/2021	4,807.69	4,807.72	4,813.40	4,817.01	4,813.02	4,803.15	4,792.33
	3/12/2021	4,807.64	4,807.72	4,813.45	4,816.61	4,812.71	4,803.00	4,793.76
	4/29/2021	4,807.58	4,807.52	4,812.29	4,816.25	4,812.71	4,803.00	4,792.33
	5/21/2021	4,807.58	4,807.41	4,812.29	4,816.26	4,812.86	4,803.50	4,791.73
	6/7/2021	4,808.82	4,807.84	4,812.20	4,816.31	4,813.12	4,803.50	4,793.30
	7/16/2021	4,808.82	4,807.84	4,812.69	4,816.33	4,813.71	4,805.00	4,793.30
	8/20/2021	4,810.16	4,808.94	4,812.59	4,816.44	4,813.71	4,805.37	4,794.79
		.,010.10	.,000.04	.,012.00	.,010.14	.,01	.,000.07	.,, 5

