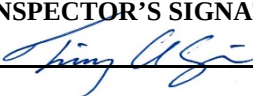




MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

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: Mica White	MINE/PROSPECTING ID#: M-1992-058	MINERAL: Mica and silica (quar)	COUNTY: Fremont
INSPECTION TYPE: Multi Person Inspection	INSPECTOR(S): Timothy Cazier, P.E.	INSP. DATE: December 16, 2021	INSP. TIME: 10:00
OPERATOR: Colorado Quarries Inc	OPERATOR REPRESENTATIVE: Aaron Tezak	TYPE OF OPERATION: 112c - Construction Regular Operation	

REASON FOR INSPECTION: High Priority	BOND CALCULATION TYPE: None	BOND AMOUNT: \$184,720.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: U.S.BLM	JOINT INSP. AGENCY: U.S.BLM
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: December 20, 2021

The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.

INSPECTION TOPIC: Backfilling & Grading

PROBLEM/POSSIBLE VIOLATION: Problem: The observed tension crack above the north end of the active pit, combined with the slope failures that occurred in the June/July 2021 timeframe, requires an update to the current mine plan to mitigate a potential failure that may result in danger to the Operator and/or offsite damage, pursuant to C.R.S. 34-32.5-112 (1)(c)(VI). The operator must provide sufficient information to describe or identify how the operator intends to conduct the operation to ensure reduce the potential for additional slope failures.

CORRECTIVE ACTIONS: The operator shall submit a Technical Revision, with the required \$216 revision fee, to update and clarify the current approved mine plan to prevent and mitigate potential slope failures associated with the observed summer failures and the existing tension crack by the corrective action date.

CORRECTIVE ACTION DUE DATE: 1/19/22

OBSERVATIONS

This inspection was conducted jointly between the DRMS and the Bureau of Land Management (BLM) to assess recent slope failures at the pit area. The Permittee (Colorado Quarries) was represented by Mr. Aaron Tezak during the inspection. The BLM was represented by Mrs. Stephanie Carter and Mrs. Amber Pike. Tim Cazier and Michael Cunningham were present for the DRMS. The Mica White is accessed from Fremont Co Rd 45 off US 50, approximately six miles southeast of Howard. This is a 112c mica and silica (quartz) mine.

The inspection began with pointing out the two slope failures that occurred in the June/July 2021 time frame (see **Photos 1** and **2**). Mr. Tezak was uncertain as to the exact dates of the slope failures. The failures did not appear to have reached the pit floor, but Mr. Tezak also pointed out the fines pile that had been on the west end of the pit floor (as seen in my June 15, 2021 inspection) had been moved to the east end to be used as backfill for the previously active portion of the pit. Neither of these failures caused any injuries or resulted in offsite impacts.

The tension crack (see **Figure 1**) above the area in the pit where the fines were moved from (see **Photo 3**) was also observed. The visible tension crack extends from where the midlevel access road intersects a small unnamed drainage (see **Photo 4**) about 200 feet across a steep access road (see **Photo 5**) to the southeast towards the formerly active pit (see **Photo 6**).

The observed tension crack is a sign of instability of the slope. The extent of a potential slope failure is uncertain based on site observations and needs to be investigated by a qualified specialist in structural geology and/or geotechnical stability. Concerns range from safety of the Operator to impacts to the environment, most likely the potential for material to enter the drainage outside the affected area boundary, below the pit floor to the southwest. The existence of the tension crack is cited as a problem on page 1 of this report.

Subsequent to this inspection, a virtual meeting was held on December 20, 2021 with the DRMS (Tim Cazier and Michael Cunningham), BLM (Stephanie Carter) and Colorado Quarries (Bill and Aaron Tezak) to discuss a path forward. Bill Tezak stated Colorado Quarries planned to meet a specialist with J A Cesare & Associates on the morning of December 21, 2021 onsite to begin an assessment of the situation and discuss options to reduce the potential of a dangerous slide. Colorado Quarries will follow-up with the DRMS and BLM after their onsite meeting.

During the meeting, Colorado Quarries agreed to halt active mining operations until such time as their Consultant can perform an assessment and provide recommendations. In addition, Colorado Quarries agreed that plans to resume mining will be submitted in writing to the DRMS and copying the BLM.

PHOTOGRAPHS



Photo 1. First 2021 failure (south facing slope, looking NE from pit floor).



Photo 2. Second 2021 failure (north facing slope, looking east from pit floor)

PHOTOGRAPHS (cont.)



Photo 3. Area from which fines were moved (NW end of pit – note location of dozer).



Photo 4. Tension crack viewed in access road cut, ~100 feet NE of dozer (looking east).

PHOTOGRAPHS (cont.)



Photo 5. Tension crack viewed in access road/dozer trail, ~150 east of dozer (looking west).
{Note: orange tape (circled) anchored on each end by rocks straddles tension crack}



Photo 6. Tension crack viewed SE of access road/dozer trail (looking SE, north facing highwall beyond).

GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(AR) RECORDS----- <u>N</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- PB	(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>Y</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>Y</u>	

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

Inspection Contact Address

Aaron Tezak
Colorado Quarries Inc
270 S. 15th St.
Canon City, CO 81212

Enclosure

ec: Michael Cunningham, DRMS
DRMS file
Nicole Martin, Colorado Quarries
Aaron Tezak, Colorado Quarries
Stephanie Carter, BLM
Amber Pike, BLM

Figure 1. Mica White 12/16/21 Post Inspection Map

Satellite imagery from 10/5/2019

Legend

- M-92-58 Approx. Permit Boundary
- M-92-58 Disturbed Area
- Mica White Access Rd
- Mica White Haul Rd
- Slope Failures (summer 2021)
- Tension Crack (12/16/21)

Area mined since 2019

Dozer location on 12/16/21

Dozer trail

Mica White

