



April 19, 2022

Kyle Regan
Civil Resources, LLC
8308 Colorado Blvd. Suite 200
Firestone, CO 80504

**Re: Red Tierra Equities, L.L.C., Section 20 Gravel Mine, File No. M-2022-001,
112c Permit Application Adequacy Review**

Mr. Regan,

The Division of Reclamation, Mining and Safety (Division/DRMS/Office) reviewed the contents of the Red Tierra Equities, L.L.C. 112c permit application for the Section 20 Gravel Mine, File No. M-2022-001 and submits the following comments. The Division is required to issue an approval or denial decision no later than July 9, 2022, therefore a response to the following adequacy review concerns should be submitted to the Division as soon as possible.

The review consisted of comparing the application contents with the specific requirements of Rules 1, 3, 6.1, 6.2, 6.4 and 6.5 of the Minerals Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials effective date July 15, 2019. Any inadequacies are identified under the respective exhibit heading along with suggested actions to correct them.

Comments

1. The Division received state agency comments from History Colorado, the Division of Water Resources and Colorado Parks and Wildlife. The letters were emailed to the Applicant on April 14, 2022. Please address the comments and revise the application accordingly.

1.6 Public Notice

2. Pursuant to Rules 1.6.2(1)(d) and 1.6.5(1), please submit proof of publication in a newspaper of general circulation in the locality of the proposed mining operation.
3. Pursuant to Rule 1.6.2(e), please submit proof of the notice to all owners of record of surface and mineral rights of the affected land and the owners of record of all land surface within 200 feet of the boundary of the affected land including all easement holders located on the affected land and within 200 feet of the boundary of the affected land. Proof of notice may be return receipts of a Certified Mailing or by proof of personal service.



Please provide proof of notice to the owners of record of the surface and mineral rights of the affected land as indicated in Exhibit O.

- a. CAW Equities, L.L.C.
- b. Red Tierra Equities, L.L.C.

The Applicant provided proof of notice on March 25, 2022. The Division's questions regarding the notices are discussed under Exhibit S below.

Application Form

4. On Page 1, Item #1.1 of the application form, the Applicant indicated the type of organization as a Limited Liability Corporation (LLC). Please provide the corporation seal on Page 8 of the application form, if the corporation does not have a seal please indicate "no seal".

6.4 Specific Exhibit Requirements - Regular 112 Operations

The following items must be addressed by the Applicant in order to satisfy the requirements of C.R.S. 34-32.5-101 et seq. and the Mineral Rules and Regulations of the Mined Land Reclamation Board:

6.4.1 Exhibit A - Legal Description

5. The Applicant provided a revised Exhibit A on March 25, 2022 to include the acreage values for the northern parcels for the proposed site. The total acreage value for the four (4) parcels equaled 631.58 acres. The Applicant indicated the total acreage in the permit area as 630.15 on Page 1, Item #3 on the application form. Please explain this discrepancy and revise the application form and/or Exhibits A and C accordingly.

6.4.3 Exhibit C - Pre-Mining and Mining Plan Maps of Affected Land

6. Rule 6.2.1(2)(b) requires maps be signed by a registered land surveyor, professional engineer, or other qualified person. Please submit signed copies of the Exhibit C maps.
7. The Applicant informed the Division the oil and gas well located in the northeast corner of Cell 6 was abandoned and the well peninsula will be included in the Mining Plan. Please provide revised copies of Exhibits C-5 and C-6 indicating the revised mining limit and a copy of the well abandonment report from COGCC.

6.4.4 Exhibit D - Mining Plan

8. On Page 1 of Exhibit D, the Applicant states the site encompasses 630.9 acres. The Applicant indicated the total acreage in the permit area as 630.15 on Page 1, Item #3 on the application form. Please explain this discrepancy and revise the application form or Exhibit D accordingly.

6.4.5 Exhibit E - Reclamation Plan

9. On Page 2 of Exhibit E, the Applicant states stockpiles remaining in place for more than one growing season will be vegetated. Please commit to seeding stockpiles which have been in place for 180 days and provide a seed mixture as pounds of pure live seed (PLS) per acre.
10. On Page 2 of Exhibit E, the Applicant states the reclaimed slopes in the water storage reservoir will not be steeper than a 3:1 ratio and will be reclaimed at a 4:1 ratio for the slurry wall lined cells mined at 1.5:1. Please explain the earthmoving processes to backfill and compact the slopes mined at the 1.5:1 slope to the reclaimed 4:1 slope.
11. On Page 5 of Exhibit E, the Applicant states to refer to the Reclamation Plan Map (Exhibit F) for a description of the size and location of each area to be reclaimed during each phase. Please update the Exhibit F map to indicate the acreages for each mining cell phase.

6.4.5 Exhibit F - Reclamation Plan Map

12. Rule 6.2.1(2)(b) requires maps be signed by a registered land surveyor, professional engineer, or other qualified person. Please submit signed copies of the Exhibit F map.
13. The Applicant informed the Division the oil and gas well located in the northeast corner of Cell 6 was abandoned and the well peninsula will be included in the Mining Plan. Please provide a revised copy of Exhibit F-1 indicating the revised reclamation plan for the cell.

6.4.6 Exhibit G - Water Information

14. On Page 1 of Exhibit G, the Applicant states stormwater collected in the active mine area will be managed through the dewatering system. Please provide a description of the design and operation of the dewatering system for the proposed mine site.
15. The Applicant stated in the requested documents submittal received on March 25, 2022 they would provide a groundwater mounding and shadow model to forecast the groundwater conditions after slurry wall construction. Please provide a copy of the report when available for the Division's review.
16. Rule 6.2.1(2)(b) requires maps be signed by a registered land surveyor, professional engineer, or other qualified person. Please submit signed copies of the Exhibit G map.

6.4.12 Exhibit L - Reclamation Costs

17. The Division reviewed and will accept the Applicant's reclamation cost estimate in the amount of \$5,399,349.71. The Division recommends the amount is rounded to the nearest whole dollar amount of \$5,399,350.00.

6.4.13 Exhibit M - Other Permit and Licenses

18. Please commit to providing copies of all required and approved permits and licenses to the Division when available.

6.4.16 Exhibit P - Municipalities Within Two Miles

19. Please update Exhibit P to include the Town of Milliken and the Town of Platteville which are located within two miles of the proposed mine site.

6.4.18 Exhibit R - Proof of Filing with County Clerk and Recorder

20. Please provide an affidavit or receipt indicating the date on which the revised application information required to address this adequacy letter was placed with the Weld County Clerk and Recorder for public review, pursuant to Subparagraph 1.6.2(1)(c).

6.4.19 Exhibit S - Permanent Man-made Structures

Where the affected lands are within two hundred (200) feet of any significant, valuable and permanent man-made structures, the Applicant may either:

- a. provide a notarized agreement between the Applicant and the person(s) having an interest in the structure, that the Applicant is to provide compensation for any damage to the structure; or
- b. where such an agreement cannot be reached, the Applicant shall provide an appropriate engineering evaluation that demonstrates that such structure shall not be damaged by activities occurring at the mining operation; or
- c. where such structure is a utility, the Applicant may supply a notarized letter, on utility letterhead, from the owner(s) of the utility that the mining and reclamation activities, as proposed, will have "no negative effect" on their utility.

The Division will require the Applicant to demonstrate they attempted to obtain notarized structure agreements with all owners of the structures within 200 feet of the affected area of the proposed mine site, pursuant to Rule 6.4.19, prior to the Division's consideration of a stability analysis.

21. The Division did not receive proof of notification for the following permanent man-made structures owners within 200 feet of the boundary of the affected land as identified on the Exhibit C-3 map. Please provide proof of notification for the following owners of record:

- a. PDC Energy Inc.
- b. Noble Energy/Chevron
- c. Western Mutual Ditch Co
- d. Farmers Independent Ditch Co

- e. Century Link
 - f. Sunshare Community Solar
22. The Division received proof of notification for the following permanent man-made structures owners within 200 feet of the boundary of the affected land, however the structure owners were not identified on the Exhibit C-3 map. Please update the map to indicate the location of the structures.
- a. Boney Macgillivray LLC
 - b. James and Marilee Kissler
 - c. Donald and Bonnie Deibel
 - d. Mack WCR 43 LLC
 - e. Zabka Farms
 - f. Phyllis Nelson
 - g. Craig and Michelle Wiedman
 - h. Street Farms Co (the name was difficult to read)
23. Please provide the Division with copies of all signed structure agreements with the owners of permanent man-made structures within 200 feet the proposed affected area boundary.
24. The Division received tracking information from the Applicant as proof of mailing a structure agreement to Xcel Energy. Please update the table on the Exhibit C-3 map to indicate Xcel Energy.
25. Please provide a copy of the generic structure agreement sent by the Applicant to the structure owners within 200 feet of the proposed affected area boundary for Division review.
- 6.5 Geotechnical Stability Exhibit**
26. Please provide the XSTABL model data files in electronic format to allow the Division to verify the stability analysis using Clover Technology's Galena slope stability software.
27. Please provide a map indicating the location of the three (3) typical cross-sections used by the Applicant in the stability analysis.
28. Please update the Exhibit C - Mining Plan Maps to indicate the required offsets from the gas lines and the slurry wall from the stability analysis results.

Please be advised the Section 20 Gravel Mine application may be deemed inadequate, and the application may be denied on July 9, 2022, unless the above mentioned adequacy review items are addressed to the satisfaction of the Division. If more time is needed to complete the reply, the Division can grant an extension to the decision date. This will be done upon receipt of a

written waiver of the Applicant's right to a decision by July 9, 2022 and request for additional time. This must be received no later than the decision date.

If you have any questions, please contact me at peter.hays@state.co.us or (303) 866-3567 Ext. 8124.

Sincerely,

A handwritten signature in blue ink, appearing to read 'P. Hays', with a long horizontal flourish extending to the right.

Peter S. Hays
Environmental Protection Specialist

Ec: Jared Ebert; Division of Reclamation, Mining & Safety