




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.

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| MINE NAME: White River S & G Pit | MINE/PROSPECTING ID#: M-1991-009 | MINERAL: Gravel | COUNTY: Rio Blanco |
| INSPECTION TYPE: Monitoring | INSPECTOR(S): Amy Yeldell | INSP. DATE: May 24, 2022 | INSP. TIME: 14:30 |
| OPERATOR: White River Aggregates, Inc. | OPERATOR REPRESENTATIVE: | TYPE OF OPERATION: 110c - Construction Limited Impact | |
| REASON FOR INSPECTION: Priority | BOND CALCULATION TYPE: Complete Bond | BOND AMOUNT: \$33,814.20 | |
| DATE OF COMPLAINT: NA | POST INSP. CONTACTS: DRMS | JOINT INSP. AGENCY: None | |
| WEATHER: Raining | INSPECTOR'S SIGNATURE:  | SIGNATURE DATE: June 8, 2022 | |

The following inspection topic(s) were identified as having a **Problem (PB)**, which includes correction actions and a deadline whereby the Operator must demonstrate compliance with the conditions of the Permit and the requirements of the Act and Rules. Failure to address the corrective actions by the deadline may cause the Division to escalate the Problem to a Possible Violation (PV) and schedule the issue for formal hearing before the Mined Land Reclamation Board (Board).

INSPECTION TOPIC: Right of Entry

PROBLEM: Problem: The Division was made aware that the Operator has sold the southeastern corner of the permit. Approximately 1.6 acres is now owned by William McCullough in order to provide river access. This makes the current Right of Entry no longer valid for a portion of the permit. This is cited as an inspection problem pursuant to Rule 1.16(2) and Rule 6.3.7.

CORRECTIVE ACTIONS: Please provide the Division with an updated Legal Right of Entry for the southeastern corner of the permit (approximately 1.6 acres) per Rule 1.16(2) and Rule 6.3.7. by the corrective action due date.

CORRECTIVE ACTION DUE DATE: 8/01/22

OBSERVATIONS

This inspection was conducted as part of the Colorado Division of Reclamation, Mining and Safety (Division) normal monitoring program. The White River S & G Pit is a 110c gravel pit that includes a total of 6.7 acres. The site located in approximately 1.5 miles east of Meeker Colorado. Kent Borchard the landowner was present for the inspection. Amy Yeldell of the Division conducted the inspection.

The Division is aware that land ownership has been transferred from White River Aggregates Inc. to SR Pit LLC (Kent Borchard). The Division has documentation from Kent Borchard, granting the Operator Legal Right of Entry. At some time in the future the permit should be transferred to the landowner. Until such time the current Operator, White River Aggregates Inc., remains liable for all permit conditions. Any modifications or request to the permit can only be made by the Operator.

During the inspection the Division was made aware that the Operator has sold the southeastern corner of the permit. Approximately 1.6 acres is now owned by William McCullough in order to provide river access. This makes the current Right of Entry no longer valid for a portion of the permit. This is cited as an inspection problem pursuant to Rule 1.16(2) and Rule 6.3.7. Please provide the Division with an updated Legal Right of Entry by the corrective action due date.

A mine identification sign was posted at the entrance of the site which is in compliance with the requirements of Rule 3.1.12.

The site is in final reclamation and highwall reduction work was actively taking place during the inspection. A small dozer and loader were on site for grading. All structures have been removed from site. Only the loading dock and footers associated with the scale remain in place. All other misc. debris has been removed from site. No permanent fuel storage was observed on site.

Backfilling activities are taking place on the northern pit slope. The pit floor is approximately 30 feet lower than the surroundings. The eastern 75 yards have been properly graded to a 3H: 1V or less. The middle 100 yards is currently at a 2H: 1V with additional material at the top of the slope that can be pushed down. The remaining 100 yards is currently at a 1H: 1V slope and was being backfilled at the time of the inspection. Backfill material is stored on the east side of the pit floor. The eastern side of the pit slopes has been regarded to a 3H: 1 or less and revegetated. A small two track road runs along the property line to provide river access.

The pit floor is mostly flat and well graveled from the previously stored stockpiles. The Southeast side of the pit floor has some additional grading remaining from what appears to be a previously used sediment or wash pond setup. There are several smaller misc. stockpiles of what appears to be overburden scattered along the east side of the pit. This material can easily be pushed into the depressions to flatten out the pad.

The current final reclamation plan for this site calls for all slopes to be regrade to a 2H: 1V or less and the entire site to be revegetated with a dry rangeland mix. The landowner has indicated that they wish to leave the pit floor graveled for future commercial use. This would constitute a change in the post-mining land use and will require an amendment prior to release of reclamation liabilities. Until such time the site must remain bonded for as if the entire permit will become rangeland.

The Division currently requires a financial warranty amount of \$33,814.20 for this site. In an effort to ensure the Financial Warranty adequately reflects the actual current cost of fulfilling the requirements of the approved reclamation plan the Division has updated the reclamation cost estimate. Based on site conditions observed during this inspection the Division determined the site liability to be \$44,368 (calculation enclosed). Given that

reclamation was taking place at the time of the inspection the Division will allow the Operator additional time to submit documentation of progress made prior to issuing a Notice of Surety Increase. The Operator shall provide the Division with bonding figures no later than Friday, July 1, 2022. Documentation should include both quantitative figures of work remaining as well as photographic proof of site conditions. If no documentation is provided by July 1, 2022 then the Division will proceed with issuing a Surety increase for \$44,368.

Responses to this inspection report should be directed to: Amy Yeldell at the Division of Reclamation, Mining and Safety, Room 215, 1001 E 62nd Ave, Denver, CO 80216. Direct contact can be made by phone at 303-866-3567 Ext 8183 or via email at amy.yeldell@state.co.us

Inspection Contact Address

Jack Paulson
White River Aggregates, Inc.
1107 E. Victory Way
Craig, CO 81625

Enclosure: Preliminary Cost Estimate

EC:

Travis Marshall, Senior EPS, Grand Junction DRMS
Kent Borchard, Landowner borchardkent@gmail.com

PHOTOGRAPHS



Photo 1: Gated mine entrance





