




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: Select Materials	MINE/PROSPECTING ID#: M-1980-205	MINERAL: Sand and gravel	COUNTY: Weld
INSPECTION TYPE: Monitoring	INSPECTOR(S): Eric Scott	INSP. DATE: June 14, 2022	INSP. TIME: 11:00
OPERATOR: Leister Materials Limited DBA Select Materials	OPERATOR REPRESENTATIVE: Josh Louis	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$7,500.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: June 24, 2022	

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: Financial Warranty

PROBLEM/POSSIBLE VIOLATION: Problem: The financial warranty is not adequate to reclaim the site in accordance with the approved reclamation plan. This is a failure to maintain the proper financial warranty amount to complete reclamation of the affected lands pursuant to C.R.S. 34-32.5-117(4)(b) of the Act.

CORRECTIVE ACTIONS: The operator shall submit adequate financial warranty, as determined by the Division. The Division will be sending a separate surety increase notice to the operator regarding the increase of the financial warranty. The operator will have 60 days from the date on the surety increase notice to post the additional financial warranty.

CORRECTIVE ACTION DUE DATE: 60 days from date of surety increase issuance

INSPECTION TOPIC: Hydrologic Balance

PROBLEM/POSSIBLE VIOLATION: Problem: The Division has no evidence that the operator has a valid well permit, substitute water supply plan, or approved water augmentation plan for the exposed groundwater at the site. This is a problem related to 34-32.5-116(4)(h) of the Colorado Revised Statutes and 3.1.6(1)(a) of the Construction Materials Rules and Regulations governing injury to existing water rights. Groundwater cannot be exposed on-site without appropriate permitting, and SEO regulations prohibit retaining stormwater/surface runoff for longer than 72 hours.

CORRECTIVE ACTIONS: The operator shall demonstrate that the operation is in compliance with the Office of the State Engineer, show evidence that the operator is taking measures to bring the site into compliance with the SEO, or backfill the pits to at least two feet above the groundwater surface and/or discharge any retained surface runoff to the natural drainage by the corrective action date specified.

CORRECTIVE ACTION DUE DATE: 8/01/22

INSPECTION TOPIC: Gen. Compliance With Mine Plan

PROBLEM/POSSIBLE VIOLATION: Problem: The current mine plan needs to be updated and clarified 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.

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 reflect existing and proposed activities by the corrective action date.

CORRECTIVE ACTION DUE DATE: 8/01/22

INSPECTION TOPIC: Other

PROBLEM/POSSIBLE VIOLATION: Problem: Trash and refuse was noticed on the site, including unused fuel tanks outside of secondary containment. This is a problem at this time for failure to dispose of refuse in a manner that controls unsightliness or deleterious effects of such refuse pursuant to C.R.S. 34-32.5-116(4)(e).

CORRECTIVE ACTIONS: The operator shall submit a written notice to the Division with photo documentation, that the trash, including unused fuel tanks, has been removed from the site by the corrective action date.

CORRECTIVE ACTION DUE DATE: 8/01/22

OBSERVATIONS

This was a routine monitoring inspection of the Select Materials Site, M1980-205, a 112c sand and gravel permit operated by Michael Leister. This permit was transferred from the previous permittee to Mr. Leister through a Succession of Operator revision approved by DRMS on June 30, 2017. This inspection was conducted by Eric Scott of DRMS. DRMS visited and toured the site with site representative Josh Louis at approximately 1100. A Technical Revision approved in 2017 allows the buildings currently present on the west 1/3 of the site to remain after the end of mining for use by the property owner, and sets a maximum active mining area of five acres. The currently approved post-mining land use for the site is "general agriculture".

The current financial warranty for the 38.4 acre permit is \$7500. At this time, the total disturbance within the permit is approximately 28 acres, however, only about 5 acres of this affected area is a result of active material extraction. The remaining approximately 23 acres of disturbed area consists of a wood recycling and composting area, sales yard, material stockpiles, various workshop and supporting structures, and gravel parking and storage areas (photo 1).

The perimeter of the existing material extraction area in the SE corner of the permit area has been re-sloped to roughly 3:1 horizontal to vertical slopes (photo 2), so minimal additional earthwork would be required, and the topsoil/growth media needed to fully reclaim the site is available within the permit area. Approximately 6 acres of the east-central area of the permit has not been impacted by mining activity at the time of this inspection and is still utilized for general agriculture (photo 3).

As stated at the start of this report, there are several issues that will need to be addressed by the corrective action date of August 1, 2022.

- 1) The existing financial warranty of \$7500 is inadequate to reclaim the site in accordance with the approved reclamation plan, therefore, DRMS will need to recalculate the required financial warranty for this site. Based on conversation with Mr. Leister after this inspection, it is likely that his proposed mining and final reclamation plans, which include the presence of a wood recycling and composting area on-site, would minimize the reclamation liability for the site while still maintaining the current post mining land use of general agriculture for the majority of the permit area. The permittee should be aware that although the use of a portion of the permit area post-mining for composting activity may be acceptable under the currently approved land use of "general agriculture" DRMS discussions with Weld County Planning and Zoning indicate that additional permitting through Weld County will be needed to support this use and keep the site in compliance.

In order for DRMS to calculate an accurate reclamation bond for the site, the operator will be required to submit at Technical Revision to the mining and reclamation plans of the permit no later than August 1, 2022. This revision should contain at a minimum the following information: How many acres will remain as a gravel covered equipment support, product stockpile, and parking area at the west side of the existing permit area during and after mining; how many acres, and where within the permit, will be utilized as a wood recycling and composting area during and after mining; where will the material extraction (mining) area(s) be located and what will the maximum size of active mining be; how will areas not included in the previously identified composting area, or equipment support area, be reclaimed when mining is complete?

A map should be provided as part of the revision showing the breakdown and locations of these various areas within the permit, and how they will be configured during mining and when mining is complete. When this revision is received and approved by DRMS, the information will be used to calculate the appropriate reclamation bond and a surety increase revision will be issued to the operator. The operator will have 60 days from the date of the surety increase notice to provide the additional financial warranty.

- 2) The small (<1ac) area of exposed groundwater/retained runoff in the west center of the permit will need to be eliminated (photo 4). This should be achieved either through backfilling that area to a minimum of 2 feet above exposed groundwater, or by discharging any captured runoff to the natural drainage within 72 hours in accordance with the State Engineer's regulations. Proof that this has been done should be provided to DRMS no later than August 1, 2022.
- 3) Trash and refuse were observed in several locations within the permit area, including unused fuel tanks outside of secondary containment (photo 5). This trash will need to be removed from the permit area and proof that this has been done provided to DRMS no later than August 1, 2022.

No other issues were noted during this inspection.

PHOTOGRAPHS



Photo 1 – Equipment support and stockpile area on west side of permit area.



Photo 2 – Mining area in SE corner of permit with slopes reclaimed to 3:1.



Photo 3 – Unaffected area in east center of permit area with composting operation visible in background.



Photo 4 – Small area of exposed groundwater/impounded runoff in west center of permit that will need to be eliminated.



Photo 5 – Unused fuel tank without containment that will need to be removed from site along with other trash/refuse.

GENERAL INSPECTION TOPICS

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

(AR) RECORDS----- <u>Y</u>	(FN) FINANCIAL WARRANTY----- PB	(RD) ROADS----- <u>NA</u>
(HB) HYDROLOGIC BALANCE----- PB	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>NA</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- PB	(FW) FISH & WILDLIFE----- <u>NA</u>	(RV) REVEGETATION---- <u>NA</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>NA</u>	(RS) RECL PLAN/COMP-- <u>NA</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>NA</u>	(ST) STIPULATIONS----- <u>NA</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

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