

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: | MINE/PROSPECTING ID#: | MINERAL: | COUNTY: |
|------------------------------|--------------------------|------------------------------------|-------------|
| Vermillion Creek Borrow Area | M-2015-027 | Borrow material for Moffat | |
| | | and reclamation only | 7 |
| INSPECTION TYPE: | INSPECTOR(S): | INSP. DATE: | INSP. TIME: |
| Monitoring | Zach Trujillo | June 8, 2022 | 12:00 |
| OPERATOR: | OPERATOR REPRESENTATIVE: | TYPE OF OPERATION: | |
| Rancho Greco Limited | None | 110c - Construction Limited Impact | |
| | | | |
| REASON FOR INSPECTION: | BOND CALCULATION TYPE: | BOND AMOUNT: | |
| Normal I&E Program | Complete Bond | \$29,206.00 | |
| DATE OF COMPLAINT: | POST INSP. CONTACTS: | JOINT INSP. AGENCY: | |
| NA | None | None | |
| WEATHER: | INSPECTOR'S SIGNATURE: | SIGNATURE DATE: | |
| Clear | 30736 | June 28, 2022 | |

GENERAL INSPECTION TOPICS

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. No problems or possible violations were noted during the inspection. The mine operation was found to be in full compliance with Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials and/or for Hard Rock, Metal and Designated Mining Operations. Any person engaged in any mining operation shall notify the office of any failure or imminent failure, as soon as reasonably practicable after such person has knowledge of such condition or of any impoundment, embankment, or slope that poses a reasonable potential for danger to any persons or property or to the environment; or any environmental protection facility designed to contain or control chemicals or waste which are acid or toxic-forming, as identified in the permit.

| (AR) RECORDS <u>N</u> | (FN) FINANCIAL WARRANTY N | (RD) ROADS <u>Y</u> |
|-------------------------------------|--------------------------------------|----------------------------|
| (HB) HYDROLOGIC BALANCE <u>Y</u> | (BG) BACKFILL & GRADING <u>N</u> | (EX) EXPLOSIVES <u>N</u> |
| (PW) PROCESSING WASTE/TAILING N | (SF) PROCESSING FACILITIES N | (TS) TOPSOIL <u>N</u> |
| (MP) GENL MINE PLAN COMPLIANCE- Y | (FW) FISH & WILDLIFE \underline{N} | (RV) REVEGETATION <u>Y</u> |
| (SM) SIGNS AND MARKERS <u>Y</u> | (SP) STORM WATER MGT PLAN N | (RS) RECL PLAN/COMP N |
| (ES) OVERBURDEN/DEV. WASTE <u>N</u> | (SC) EROSION/SEDIMENTATION N | (ST) STIPULATIONS <u>N</u> |
| (AT) ACID OR TOXIC MATERIALS N | (OD) OFF-SITE DAMAGE <u>N</u> | |

PERMIT #: M-2015-027 INSPECTOR'S INITIALS: ZTT INSPECTION DATE: June 8, 2022

OBSERVATIONS

This inspection was conducted by Zach Trujillo of the Colorado Division of Reclamation, Mining and Safety (Division) as part of the normal monitoring program. The operator was notified prior to the inspection but did not accompany the Division on the inspection. The Vermillion Creek Borrow Area is a 110(c) reclamation only permit that includes a total of 4.3 acres on Bureau of Land Management land. During the notification of the inspection, the operator stated that reclamation was planned to commence later this year. This site is located 45 miles northwest of Maybell, CO and is accessed from State Highway 318.

The mine identification sign and affected area boundary markers are in place and in compliance with Rule 3.1.12. The sign is located along a wooden post at the entrance to the permit boundary from County Road 74.

No additional reclamation has been conducted from the previous inspection report performed by the Division dated July 17, 2018 based on the annual reports for the Vermillion Creek Borrow Area. The affected area is split into two regions by a creek. A concrete pad supported by beams acts as a bridge crossing to access one region to another. The highwall cut, which is located in the eastern region within the permit boundary, remains stable with no slumping or erosion observed. The western region is relatively flat and no erosional features were observed as well. Vegetation from native encroachment has begun to establish itself along the entire affected area. The land adjacent to the creek is well vegetated with cat tails and other riparian vegetation. No stockpiles or equipment were observed on site. Overall, the site remains stable with no issues observed.

No problems or violations were noted during this inspection. Responses to this inspection report should be directed to: Zach Trujillo at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at (303) 866-3567 x. 8164 or via email at Zach.Trujillo@state.co.us

PHOTOGRAPHS



Mine identification sign.



Highwall in eastern region.



Bridge crossing.



Western region.

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<u>Inspection Contact Address</u> None

None Rancho Greco Limited 351 School St Craig, CO 81625

Enclosure

CC: Jason Musick