

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

The Division of Reclamation, Mining and Safety 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:
Section 20 Gravel Mine		M-2022-001	Sand and gravel	Weld
INSPECTION TYPE:		INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring		Peter Hays	June 22, 2022	10:00
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Red Tierra Equities, L.L.C.		Kyle Regan, Brad Hagen	112c - Construction Regular Operation	
DEAGON FOR INCRECTION				
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program			No Bond Held	
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:	
NA		None	None	
WEATHER:	INSPECTOR'S SIGNATURE:		SIGNATURE DAT	Е:
Clear	f.Any		July 20, 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 <u>N</u>	(RD) ROADS <u>N</u>
(HB) HYDROLOGIC BALANCE <u>N</u>	(BG) BACKFILL & GRADING <u>N</u>	(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>N</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>N</u>	

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

OBSERVATIONS

I, Peter Hays, with the Division of Reclamation, Mining and Safety (Division/DRMS) met with Mr. Neil Shimon at his residence at the request of Civil Resources, LLC, the consultant for Red Tierra Equities, L.L.C. (Applicant) to informally discuss Mr. Shimon's concerns and the Division's permitting and objection processes. Mr. Shimon is the only timely objector to the Section 20 Gravel Mine application. Mr. Kyle Regan and Mr. Brad Hagen with Civil Resources, LLC were present duing the inspection.

The Shimon property is located at 20300 CR 30, Platteville, CO 80651.

Mr. Shimon's jurisdicational objection topics are impacts to water quality and quanity on his well and loss of water to the well due to the depth of the mining operation.

The consultant is completing a groundwater model to predict the goundwater mounding and shadowing associated with the planned slurry walls at the proposed mine site. The Shimon property is expected to be in the mounding area based on the anticipatied direction of groundwater flow. The mounding effect could increase the quantity of water in the Shimon well. The Shimon well was observed during the inspection, however the depth of the well and the level of water in the well could not be measured by the Division due to lack of an access port on the well.

Based on the Division's search of the Division of Water Resouces (DWR) well permit database, it does not appear Mr. Shimon's well is registered with the DWR, making it an illegal well. The Division encouraged Mr. Shimon to contact the DWR regarding the status of his well. Mr. Shimon stated the well is used for irrigation of his yard only. The residence is served by Central Colorado Water Conservancy.

The Division measured the water level in monitoring well located northwest of the Shimon property on the west side of WCR 29 during the inspection. The depth to water was measured at 21 feet below the ground level.

Mr. Shimon's non-jurisdicational objection topics including; noise, dust, road and bridge damage, safety of residents, value of his property and loss of farm land. These issues would be under the jurisdicaiton of the Colorado Department of Public Health and Environment, the Colorado Department of Transportation and the Town of Gilcrest after the proposed mine site property is annexed in the the town.

Photographs taken during the inspection are attached. If you need additional information or have any questions, please contact me at the Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at 303.866.3567 x 8124, or by email at peter.hays@state.co.us.

Inspection Contact Address

Drew Damiano Red Tierra Equities, L.L.C. 8301 East Prentice Avenue, Suite 120 Greenwood Village, CO 80111

Ec: Jared Ebert, DRMS

PERMIT #: M-2022-001 INSPECTOR'S INITIALS: PSH INSPECTION DATE: June 22, 2022

PHOTOGRAPHS



View of the outside of the Shimon well vault



View of the inside of the Shimon well vault