




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: Wiley Pit	MINE/PROSPECTING ID#: M-1977-223	MINERAL: Sand and gravel	COUNTY: Prowers
INSPECTION TYPE: Monitoring	INSPECTOR(S): Amy Eschberger	INSP. DATE: July 12, 2022	INSP. TIME: 13:30
OPERATOR: Five Rivers Ranch Cattle Feeding LLC	OPERATOR REPRESENTATIVE: Thane Milenski	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$193,235.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: August 4, 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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>NA</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

This was a normal monitoring inspection of the Wiley Pit (Permit No. M-1977-223) conducted by Amy Eschberger of the Division of Reclamation, Mining and Safety (Division). The operator was represented by Thane Milenski during the inspection. The site is located approximately 7 miles northwest of Lamar, Colorado in Prowers County. The main access to the site is from the east off of Hwy 287. **Photos 1-12** taken during the inspection are included with this report.

This is a 112c operation permitted for 174.6 acres to mine sand and gravel (see enclosed Google Earth images of site showing the entire permit area and a close-up of the disturbed area). An Amendment application (AM-1) was approved in 2010 to increase the permit area from 86.6 acres to the current 174.6 acres, and to change the post-mining land use from general agriculture to a combination of developed water resource and rangeland. The approved mining plan (see enclosed mining plan map) includes construction of a permanent, clay-lined water storage reservoir approximately 20 acres in size, with a maximum depth of 30 feet. Approximately 5 feet of freeboard will be maintained in the reservoir. Portions of the reservoir will be composed of a compacted earth embankment dam. A letter of acceptance of construction of the dam was issued to the operator by the Office of the State Engineer (SEO) on March 10, 2014.

According to a letter from the Division of Water Resources (DWR) dated May 9, 2016, the reservoir has been lined to the design standard referenced in the State Engineer Guidelines for Lining Criteria for Gravel Pits. Water will be conveyed from the reservoir to the operator's cattle feeding facility located south of Hwy 50 via an underground pipeline that terminates at the Amity Canal. The surface area associated with the pipeline construction is included in the permit area. Mined material will be processed on site via a portable crushing/screening plant. Salvaged topsoil and overburden will be stockpiled in the areas northeast and east of the reservoir for use in reclamation.

The approved reclamation plan (see enclosed reclamation plan map) includes grading the reservoir slopes to 4H:1V or flatter and placing riprap mainly along its western and southern shorelines. Disturbed areas outside of the reservoir will be graded to 3H:1V or flatter. All disturbed land, including portions of the reservoir slopes above the expected water line (not covered by riprap) will be retopsoiled at a depth of approximately 6 inches, and revegetated with a native grass mixture recommended by the local soil conservation district. Any areas compacted by stockpiling, processing, or mine traffic will be ripped prior to topsoil placement. The existing gravel service road south of the reservoir, the reservoir perimeter road, and the main access road from Hwy 287 which runs along the northeastern edge of the reservoir to Co Rd LL will remain after reclamation. All other internal roads will be reclaimed.

During the inspection, a permit sign was observed posted at the main site entrance off of Hwy 287. The corners of the permit boundary were delineated with metal posts. The reservoir is located near the center of the permit area. The shorelines of the reservoir are graded to the approved final configuration of 4H:1V or flatter, with riprap placed along the entire western and southern shorelines and along portions of the northern and eastern shorelines. A gravel road circles the perimeter of the reservoir. Based on the most recent aerial imagery of this site available in Google Earth (from June 12, 2017), the Division estimates the entire reservoir construction to be approximately 22 acres in size, with a water surface area of approximately 14 acres. A pump house is located just south of the reservoir. All infrastructure associated with the reservoir has been installed and is in use, including the water pipeline that runs south of the reservoir and beneath Hwy 50 to the operator's cattle feeding operation located south of the highway. The surface area disturbed by the pipeline installation was reclaimed several years ago, and now has an established grass cover.

The site was not active during the inspection. However, the operator continues to haul off from product

stockpiled northeast of the reservoir every year. This material is primarily used to maintain the operator's nearby properties. During the Division's last inspection (on November 29, 2018), the operator had estimated approximately 65,000 tons of product remained on site. The large product stockpile appeared to be smaller than it was during the Division's last inspection; however, no estimate of remaining material was provided. No material processing equipment was observed on site. Large topsoil and overburden stockpiles are stored in the areas northeast and east of the reservoir. These stockpiles appeared to be stable. A mixture of grasses and annual weeds (e.g., kochia, russian thistle) have volunteered across much of the disturbed land. However, some of the disturbed land, particularly around the reservoir and material stockpile area, have very little to no vegetative cover. Vegetation in these areas consists mainly of annual weeds. The Division strongly recommends the operator work to retopsoil and seed any areas that will not be re-disturbed by the operation (i.e., around the reservoir), in accordance with the approved reclamation plan. The operator will also need to implement the approved weed control and management plan at the site to keep the weeds from interfering with the growth of desired vegetation.

The Division estimates approximately 43.5 acres of disturbed lands (42.9 acres stockpiling area and areas adjacent to reservoir + 0.6 acre reservoir shorelines) will require topsoil replacement and seeding for final reclamation. Of this amount, approximately 36 acres of compacted areas will require ripping prior to topsoil placement. Based on these estimates, the Division has determined the existing financial warranty of \$193,235.00 is sufficient to reclaim the site in accordance with the approved reclamation plan.

During the inspection, the following items were discussed:

- 1) The water line from the reservoir to the cattle feeding operation has been installed and its associated disturbance reclaimed. Therefore, the operator may submit an Acreage Reduction request (see enclosed form) within 60 days of the signature date of this report (by October 3, 2022) to release the water line from the permit area (without an additional inspection being required). The Division estimates the portion of the permit area specifically associated with the water line to consist of 5.6 acres. Therefore, releasing the water line portion of the permit area would leave a remaining permit area of 169 acres. The Acreage Reduction request must include updated mining and reclamation plan maps which accurately depict the new permit boundary if the release is approved. This request must be submitted via Certified Mail separate from any other correspondence.
- 2) The operator inquired about allowing a separate entity to mine the site, particularly in the eastern portion of the permit area which was not mined for the reservoir project. The Division informed the operator this change in the approved plan would require the submittal of a permit revision, either an Amendment or Technical Revision, depending on the details of the proposal. As long as the proposed changes do not include an increase in the acreage of the affected land or a significant change to the approved mining and/or reclamation plans, the proposal could be submitted in a Technical Revision (see enclosed form). The current approved reclamation plan includes leaving a lined reservoir and reclaiming any disturbances around the reservoir for rangeland use. Therefore, a proposal to mine the areas surrounding the reservoir and reclaim these lands with 3H:1V or flatter slopes and a rangeland grass mixture would not be considered a significant change to the approved mining and reclamation plans. However, if mining these areas would expose groundwater, this may be considered a significant change to both the mining and reclamation plans, requiring submittal of an Amendment application. In either case, the operator would need to provide updated mining and reclamation plans and maps and an updated bond estimate to reflect the new disturbances.

As for having another entity mine the site, there is the option of transferring the permit to the new entity through the Succession of Operators process. Otherwise, the operator should be aware it is the

responsibility of the permittee to ensure that all activities occurring at the site are in compliance with the approved permit, regardless of who actually mines the site. Therefore, as permittee, Five Rivers Ranch Cattle Feeding LLC would be responsible for curing any problems or violations with the operation, and for maintaining the performance and financial warranties in good standing for the life of mine.

This concludes the report.

Any questions or comments regarding this inspection report should be forwarded to Amy Eschberger at the Colorado Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, via telephone at 303-866-3567, ext. 8129, or via email at amy.eschberger@state.co.us.

PHOTOGRAPHS



Photo 1. View looking west at large product stockpile stored northeast of reservoir. Note disturbed area around stockpile has very little to no vegetative cover, consisting primarily of annual weeds (e.g., kochia, russian thistle).

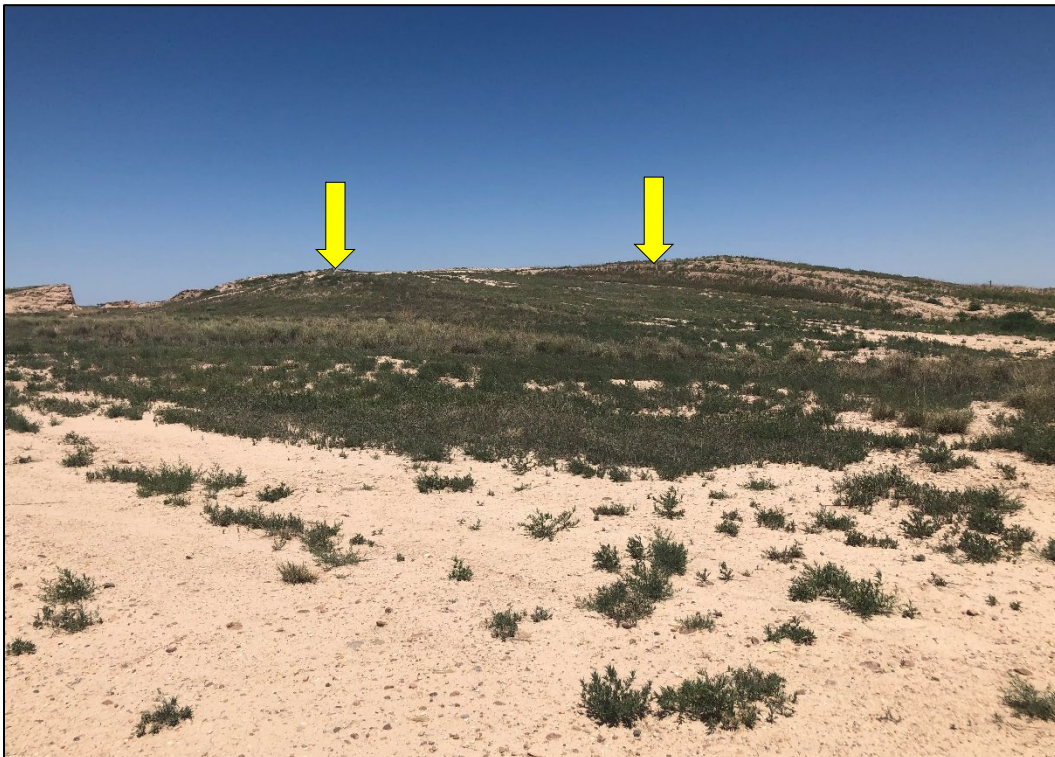


Photo 2. View looking east at large overburden stockpile (indicated) stored east of reservoir. Note this area has very little to no vegetative cover, consisting primarily of annual weeds (e.g., kochia, russian thistle).



Photo 3. View looking southwest across southeastern portion of reservoir, showing riprap lined eastern (foreground) and southern shorelines.



Photo 4. View looking west across reservoir from its eastern shoreline.



Photo 5. View looking northwest across northeastern portion of reservoir, showing portions of shorelines with no riprap and very little vegetative cover besides annual weeds (e.g., kochia, russian thistle).

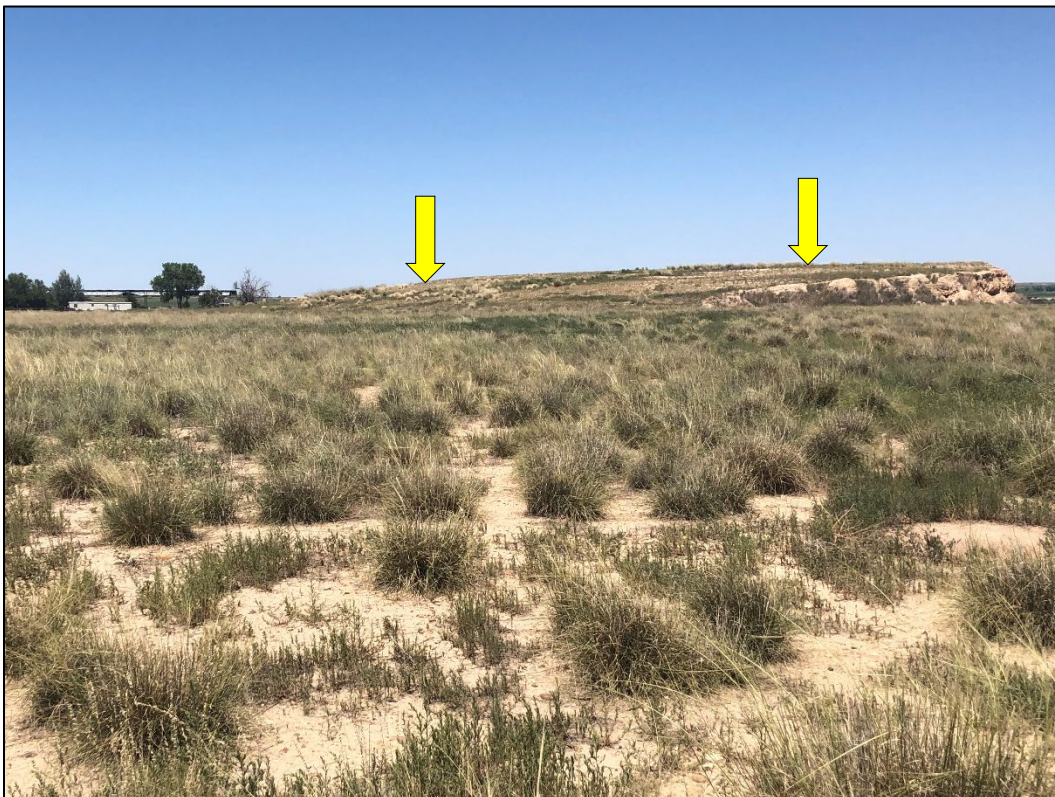


Photo 6. View looking northeast at large topsoil stockpile (indicated) stored northeast of reservoir. Note established grasses present in this area.

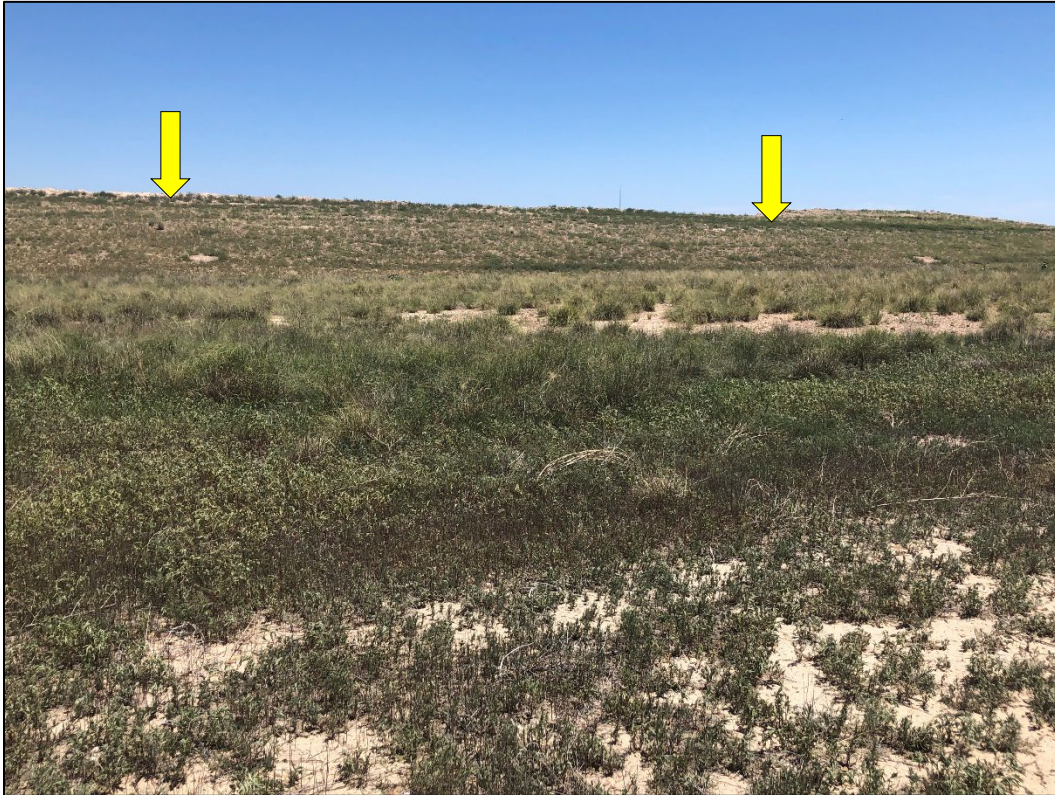


Photo 7. View looking east at second large overburden stockpile (indicated) stored east of reservoir. Note mixture of grasses and annual weeds (e.g., kochia, russian thistle) present in this area.



Photo 8. View looking east across northern reservoir shoreline with no riprap and vegetative cover consisting primarily of annual weeds (e.g., kochia, russian thistle).



Photo 9. View looking southeast across southwestern portion of reservoir, showing riprap lined western (foreground) and southern shorelines.



Photo 10. View looking northeast across northwestern portion of reservoir, showing riprap lined western (foreground) and northern shorelines.



Photo 11. View looking east across southern edge of reservoir, showing pump house in background. Note disturbed area south of reservoir perimeter road (to the right) has very little to no vegetative cover consisting primarily of annual weeds (e.g., kochia, russian thistle).



Photo 12. View looking east across eastern portion of permit area (east of stockpile area), with vegetative cover consisting primarily of annual weeds (e.g., kochia, russian thistle).

Inspection Contact Address

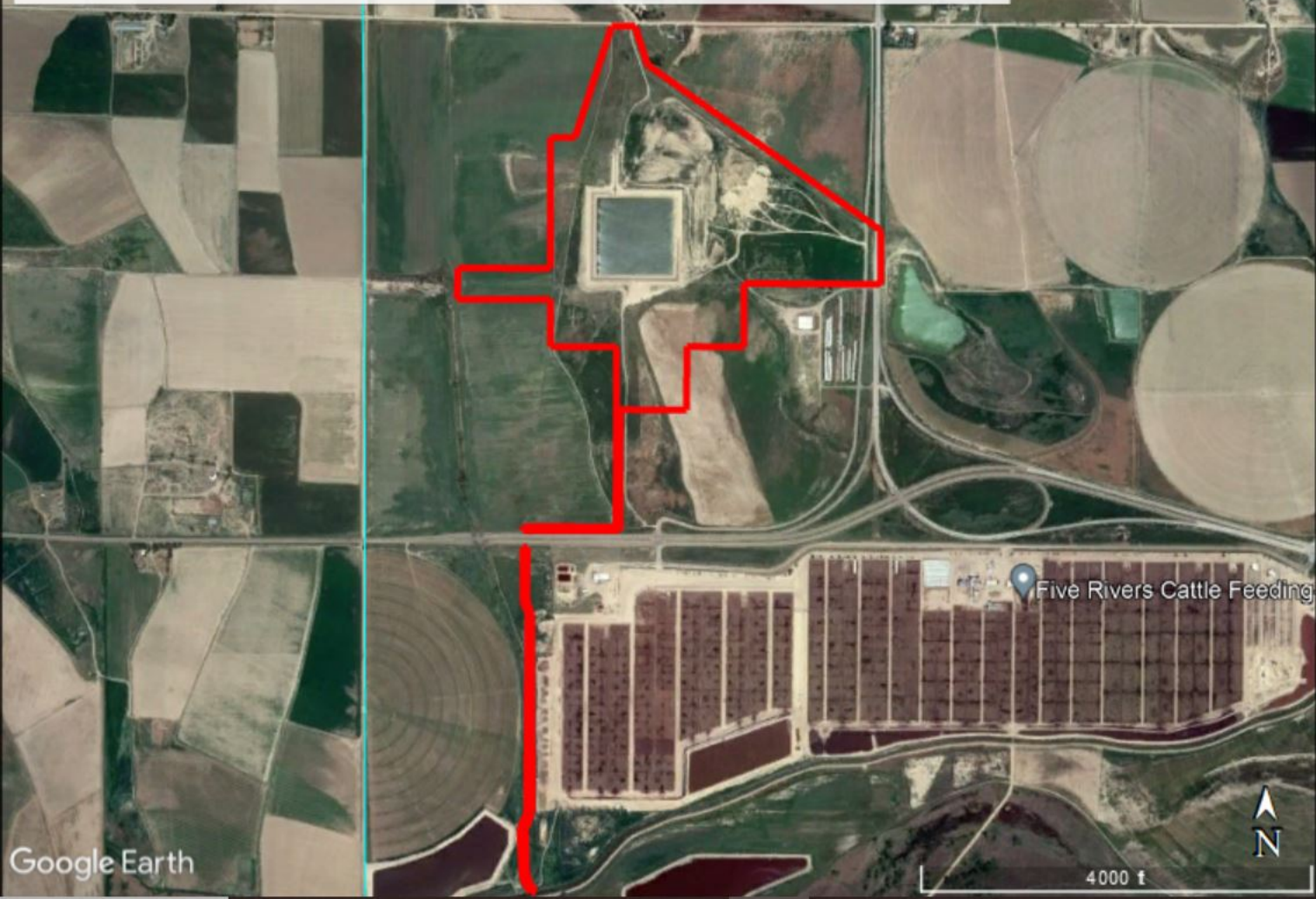
Thane Milenski
Five Rivers Ranch Cattle Feeding LLC
2258 US Hwy 50
Lamar, CO 81052

Encls: Google Earth image of site showing entire permit area
Google Earth image of site showing close up of disturbed area
Approved Mining Plan Map
Approved Reclamation Plan Map
Acreage Reduction request form
Technical Revision form

CC: Juan Cocoba, Five Rivers Ranch Cattle Feeding LLC
Michael Cunningham, DRMS

M-1977-223 / Wiley Pit / Five Rivers Ranch Cattle Feeding LLC (112c)

Red outline = 174.6 acres = Approved permit area (~169 acres mine site + ~5.6 acres water line to the south)
(Image data from 6/12/2017)



M-1977-223 / Wiley Pit / Five Rivers Ranch Cattle Feeding LLC (112c)

Close-up of disturbed area.

Red outline = 174.6 acres = Approved permit area (~169 acres mine site + ~5.6 acres water line to the south)

(Image data from 6/12/2017)





COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

REQUEST FOR FULL OR PARTIAL RELEASE OF PERMIT AREA/SURETY REDUCTION

Please indicate if you are requesting:

FULL/FINAL RELEASE OF ENTIRE PERMITTED AREA (per Rule 4.17)

ACREAGE REDUCTION (PARTIAL RELEASE per Rule 4.17)

I wish to release _____ acres at this time.

You will need to submit with this request: a map showing the acreage to be released from the current permit and updated mining and reclamation plan maps that will accurately depict the new permit boundary if the release is approved.

SURETY (Bond) REDUCTION (per Rule 4.14)

If you are requesting a surety (bond) reduction you will need to include with this request a new estimate of the actual cost to reclaim the site based on what it would cost an independent contractor to complete reclamation, including unit costs for reclamation activities as appropriate to the operation to comply with the provisions of Rule 3.1 and the Permit's approved Reclamation Plan.

File No.: M _____

Site Name: _____

County: _____

Permittee: _____

Permittee Address: _____
(Street Address)

(City)

(State)

(Zip)



Operator (If Other than Permittee): _____

Permittee Representative: _____

Certified Mail # _____

In accordance with Rule 4.17.1(2) the Operator shall include the names, addresses and phone numbers of all owners of record to the affected land. Please attach additional sheets for this information if required.

<u>Name</u>	<u>Address</u>	<u>Phone Number</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

In accordance with Rule 4.17.1(4), if requesting a partial acreage release the Operator or their agent MUST sign that they have complied with the following statement: “All applicable portions of the Reclamation Plan requirements have been satisfied in accordance with these Rules and all applicable requirements under the Act.”

Signature of Permittee, Operator or their authorized agent Date

Important: In accordance with Rules 4.14.2(a) and 4.17.1(3) This release request must be submitted to the Division via certified mail and separate from any other correspondence to the Division.



COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY

1313 Sherman Street, Room 215, Denver, Colorado 80203 ph(303) 866-3567

REQUEST FOR TECHNICAL REVISION (TR) COVER SHEET

File No.: M- _____ Site Name: _____

County _____ TR# _____ (DRMS Use only)

Permittee: _____

Operator (If Other than Permittee): _____

Permittee Representative: _____

Please provide a brief description of the proposed revision: _____

As defined by the Minerals Rules, a Technical Revision (TR) is: “a change in the permit or application which does not have more than a minor effect upon the approved or proposed Reclamation or Environmental Protection Plan.” The Division is charged with determining if the revision as submitted meets this definition. If the Division determines that the proposed revision is beyond the scope of a TR, the Division may require the submittal of a permit amendment to make the required or desired changes to the permit.

The request for a TR is not considered “filed for review” until the appropriate fee is received by the Division (as listed below by permit type). Please submit the appropriate fee with your request to expedite the review process. After the TR is submitted with the appropriate fee, the Division will determine if it is approvable within 30 days. If the Division requires additional information to approve a TR, you will be notified of specific deficiencies that will need to be addressed. If at the end of the 30 day review period there are still outstanding deficiencies, the Division must deny the TR unless the permittee requests additional time, in writing, to provide the required information.

There is no pre-defined format for the submittal of a TR; however, it is up to the permittee to provide sufficient information to the Division to approve the TR request, including updated mining and reclamation plan maps that accurately depict the changes proposed in the requested TR.

Required Fees for Technical Revision by Permit Type - Please mark the correct fee and submit it with your request for a Technical Revision.

<u>Permit Type</u>	<u>Required TR Fee</u>	<u>Submitted</u> (mark only one)
110c, 111, 112 construction materials, and 112 quarries	\$216	<input type="checkbox"/>
112 hard rock (not DMO)	\$175	<input type="checkbox"/>
110d, 112d(1, 2 or 3)	\$1006	<input type="checkbox"/>