

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:
VIP Mine		M-2022-032	Gravel	Weld
INSPECTION TYPE:		WEATHER: Clear	INSP. DATE:	INSP. TIME:
Preoperation Inspection			October 5, 2022	12:00
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Varra Buildings, Inc.		Nick Varra, Tony Evans	112c - Construction Regular Operation	
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:	
Preoperation Inspection			No Bond Held	
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:	
NA		None	None	
INSPECTOR(S):	INSPECTOR'S SIGNATURE:		SIGNATURE DATE:	
Robert Zuber, P.E.			October 6, 2022	
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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>Y</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>Y</u>	(FW) FISH & WILDLIFE <u>Y</u>	(RV) REVEGETATION Y
(SM) SIGNS AND MARKERS Y	(SP) STORM WATER MGT PLAN <u>N</u>	(RS) RECL PLAN/COMP N
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION \underline{Y}	(ST) STIPULATIONS <u>N</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

OBSERVATIONS

The VIP Mine is a proposed 112c operation for approximately 40 acres. On July 5, 2022, the Division of Reclamation, Mining and Safety (Division) received the application for the VIP Mine from VIP Mine LLC. The application is in the adequacy phase.

Some mining activities have been conducted at the site for road construction on the adjacent property (to become an industrial park), also owned by Nick Varra. There is no indication that material from the excavation was used off site. The size of the area is approximately 800' by 500' and 15 feet deep. Loaders, a truck, and equipment for processing material were on site but not in use. Piles of rock and soil were also in this area. Mr. Varra indicated that no more extraction will take place before a permit is obtained.

As part of the application process, this pre-operations inspection was conducted by Rob Zuber of the Division on October 5, 2022. The permittee's representatives were Nick Varra and Tony Evans of Encompass LLC. The weather was hot and clear. The ground was dry.

Signs of utilities on and close to the site include power lines and utility boxes, fire hydrants, and markers for gas lines. Mr. Varra indicated that:

*The power lines are active and power is supplied by Xcel Energy.

*The gas lines are active and associated with Atmos Energy.

*The water lines are not active.

No houses or other buildings were seen within 200 feet of the proposed permit area. The roads north and east of the site are owned by Mr. Varra.

At the northwest corner, a small amount of disturbance (less than two acres) can be seen. This area was used on Varra property to fill low spots, per Mr. Varra.

The site is very flat, but the slope is to the southeast. Silt fence has been installed along the south side of the site and is functioning.

Kochia is prevalent, but no listed weeds were seen.

Boundary markers are placed at corners. Additional posts will be placed along the west side prior to further extraction, per Mr. Varra.

PERMIT #: M-2022-032 INSPECTOR'S INITIALS: RDZ INSPECTION DATE: October 5, 2022

PHOTOGRAPHS



Material processing equipment



Material piles and a haul truck

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Power lines along the western portion of the site (looking north)



Disturbance at the northwest portion of the site

Inspection Contact Address Nick Varra, Tony Evans Varra Buildings, Inc. 1001 E Harmony Rd. Ste A201 Fort Collins, CO 80525

CC: Michael Cunningham, DRMS