

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:
Stiles Mining Resource		M-2021-067	Sand and gravel	Weld
INSPECTION TYPE:		WEATHER: Clear	INSP. DATE:	INSP. TIME:
Preoperation Inspection			January 12, 2023	10:00
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Asphalt Specialties Co., Inc.		David King, Greg Geras	112c - Construction Regular Operation	
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	
INSPECTOR(S):	INSPECTOR'S SIGNATURE:		SIGNATURE DATE:	
Eric Scott			January 20, 2023	
Michael Cunningham		Erie Aut		

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>NA</u>	(FN) FINANCIAL WARRANTY <u>NA</u>	(RD) ROADS <u>Y</u>
(HB) HYDROLOGIC BALANCE <u>Y</u>	(BG) BACKFILL & GRADING <u>NA</u>	(EX) EXPLOSIVES <u>NA</u>
(PW) PROCESSING WASTE/TAILING <u>NA</u>	(SF) PROCESSING FACILITIES <u>Y</u>	(TS) TOPSOIL <u>NA</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(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>NA</u>	(SC) EROSION/SEDIMENTATION <u>NA</u>	(ST) STIPULATIONS <u>NA</u>
(AT) ACID OR TOXIC MATERIALS <u>NA</u>	(OD) OFF-SITE DAMAGE <u>NA</u>	

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

OBSERVATIONS

This was a Pre-Operation Inspection conducted for the Stiles Mining Resource application. The inspection was conducted by Eric Scott and Michael Cunningham of DRMS, who met with David King and Greg Geras of Asphalt Specialties on-site at approximately 10:00. The weather was lightly foggy with about an inch of new snow on the ground at the time of this inspection. The application under review is for a proposed 152 acre, 112c construction materials operation with a commercial wash plant, an asphalt plant, and used concrete/asphalt recycling yard.

There are currently several public objections to the application, therefore, the decision to approve the permit application cannot be made at the DRMS staff level. The Mined Land Reclamation Board (MLRB) will need to determine if the permit will be approved over objections, approved with conditions, or denied, in a future MLRB hearing. In December of 2022, the MLRB granted a 90 day extension to the initial 365 day review period. The Division recommendation date for this application is now set at March 13, 2022.

The site entrance is located on the north side of Hwy 394 immediately east of the intersection of WCR 35 and Hwy 394. The permit application notice sign was present at the site entrance (photo 1). The site property has been incorporated into the Town of Evans and is zoned industrial/commercial by the town. The asphalt plant was under construction at the time of the inspection, and raw materials were being imported and stockpiled for that operation, however, no mining was taking place (photo 2).

During this inspection DRMS noted that the existing structures and conditions of the proposed permit matched what has been provided in the application. Several of the oil and gas structures currently on the site will be removed prior to mining. The permit area was last used for irrigated pasture and livestock grazing. The permit boundary has been surveyed and marked, however, the permit boundary and existing fencing do not match in several areas. This is most pronounced on the west side of the permit, as well as along each side of the Town of Evans 35th Ave right-of-way which runs north-south through the west side of the permit area and separates Phases 1 and 2 of the proposed permit area. On the northwest and west side of the permit, the permit boundary lies outside of the existing fencing. If the mining offset is set 50' inside of the existing fencing, as shown in the current mining plan map, there should be no risk of out-of-bounds impacts due to this discrepancy (photo 3).

This is NOT the case on either side of the Town of Evans 35th Ave right-of-way, where the permit boundary is <u>inside</u> of the existing fences present on both sides (photo 4). The permit boundary and mining offsets along each side of this 120' wide R.O.W. will need to be clearly marked, especially on the south end where it widens. Use of the existing fences to delineate future activity in this area and along this ROW, may result in violations for out-of-bounds impacts. There is also an area in the north center of the proposed permit where the existing permit boundary does not match existing fencing that will need to be clearly delineated. DRMS also recommends that the 250 foot wide utility corridor that runs N-S through the permit also be clearly marked prior to any mining-related disturbances in this area.

DRMS noted the presence of an active prairie dog colony within the east central portion of the proposed permit during this inspection (photo 5). Therefore, <u>DRMS will require that the permittee commit, through the</u> adequacy response process, to conducting a burrowing owl survey prior to mining activity as recommended by the CPW in their provided comment letter for this proposed operation. No other wildlife was observed during this inspection.

No standing water or exposed groundwater was observed in the low area shown in the east center of the proposed permit area, or anywhere else in the proposed permit. The low area shown by the provided maps previously retained irrigation tail-water and precipitation runoff to water livestock. Irrigation of the area has been discontinued, so it is likely that this area will remain dry unless the area receives heavy precipitation. Any precipitation captured by this pre-mining feature would eventually evaporate or infiltrate into the ground. During this inspection, DRMS discussed several remaining adequacy and bonding issues that will need to be addressed before the recommendation date, but no other issues were noted during this inspection that would require corrective actions.

Inspection Contact Address

David King / Greg Geras Asphalt Specialties Co., Inc. 10100 Dallas St Henderson, CO 80640

PERMIT #: M-2021-067 INSPECTOR'S INITIALS: ECS INSPECTION DATE: January 12, 2023

PHOTOGRAPHS



Photo 1 – Notice of permit application sign at site entrance from Hwy 394.



Photo 3 – Photo taken from surveyed NW corner of permit looking back to existing fences.



Photo 5 – Active prairie dog burrows and tracks observed in east-center of proposed permit area.



Photo 2 – SW corner of permit where asphalt plant is being constructed and imported materials staged.



Photo 4 – Photo of Evans 35th Ave ROW looking north. Permit boundary on each side will need to be clearly marked prior to mining activity to avoid out-of-bounds impacts.