




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.

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|------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------|
| MINE NAME: Buffalo Hunter Lode | MINE/PROSPECTING ID#: M-2016-015 | MINERAL: Sand and gravel | COUNTY: Custer |
| INSPECTION TYPE: Surety Release Inspection | WEATHER: Clear | INSP. DATE: January 24, 2023 | INSP. TIME: 10:30 |
| OPERATOR: Lucky VI Quarry | OPERATOR REPRESENTATIVE: Ed Lyons | TYPE OF OPERATION: 110c - Construction Limited Impact | |
| REASON FOR INSPECTION: Surety Related | BOND CALCULATION TYPE: | BOND AMOUNT: \$32,800.00 | |
| DATE OF COMPLAINT: NA | POST INSP. CONTACTS: None | JOINT INSP. AGENCY: None | |
| INSPECTOR(S): Eric Scott | INSPECTOR'S SIGNATURE:  | SIGNATURE DATE: January 25, 2023 | |

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.

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|---------------------------------------------|-------------------------------------------|----------------------------------|
| (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>NA</u> | (SF) PROCESSING FACILITIES----- <u>NA</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>Y</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 permitted acreage reduction (AR) inspection conducted by Eric Scott of the Division of Reclamation Mining and Safety (DRMS) of the Lucky VI Quarry, a 110c permit. Permittee Ed Lyons accompanied DRMS during the inspection. The Lucky VI Quarry Lode is located approximately 1 mile north of the town of Silver Cliff off the west side of Oak Creek Grade road.

This site was Initially permitted at 9.5 acres, however the recent approved expansion of the adjacent Black Obsidian Quarry (M1986-027) resulted in a permit overlap of 3.16 acres on the west side of the Lucky VI Quarry. The release request for this 3.16 acres from the Lucky VI Quarry as shown in the submitted AR map was received by DRMS on December 2, 2022. DRMS sent notices as required for this proposed release on December 5, 2022 and received no comments or objections. Approval of this AR will release the 3.16 acres from the Lucky VI Quarry, and that area will now be permitted and bonded under the Black Obsidian Quarry permit. The Lucky VI Quarry will have a remaining 6.34 acres of permitted area.

The Lucky VI permit is mined as needed for road base and landscaping material, the approved post mining land use is rangeland. The current reclamation bond for the remaining 6.34 acre site is \$32,805. Approximately 5 acres were disturbed at the time of this inspection. Disturbance of additional area will necessitate an increase in the required reclamation bond.

The site identification sign was observed during the inspection (photo 1). The existing disturbance is currently within the marked permit boundary. At the time of this inspection, the permit corners for the remaining 6.34 acres were clearly marked, and DRMS collected GPS data for these corners.

Although no excavation was taking place at the time of the inspection, heavy equipment and a crusher were working in the north-central part of the site to process material into existing product stockpiles. There were stockpiles of topsoil placed along the east permit boundary, and the large historic cut that existed prior to mining has been backfilled. (photos 2-4)

DRMS will approve the release of the 3.16 acres from the Lucky VI Quarry, and an approval letter for that revision will be mailed separately. If no objections to the release are received within 30 days, the revision will be finalized.

While this permit is active, DRMS encourages the operator to monitor for and control noxious weeds, prevent the impounding of surface runoff in the pit area by maintaining positive drainage, and minimize the disturbed area where possible to minimize the required reclamation bond amount.

No other issues were noted during this inspection.

Inspection Contact Address

Ed Lyons
Lucky VI Quarry
228 County Road 251
Westcliffe, CO 81252

PHOTOGRAPHS



Photo 1 – Site identification sign at site entrance from Oak Creek Grade Road.



Photo 2 – East side of site where large pre-mining trench has been backfilled.



Photo 3 – Material processing and stockpile area located in north-center area of site.



Photo 4 – Material processing and stockpile area located in north-center area of site.