




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: 83rd Joint Venture	MINE/PROSPECTING ID#: M-1992-069	MINERAL: Sand and gravel	COUNTY: Weld
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: December 7, 2022	INSP. TIME: 12:00
OPERATOR: Holcim - WCR, Inc.	OPERATOR REPRESENTATIVE: Wyatt Webster	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$10,237,994.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Peter Hays Amber Michels Hunter Ridley	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: February 18, 2023	

The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.

INSPECTION TOPIC: Signs & Markers

PROBLEM: The mine identification sign was not posted at the entrance of the mine site. This is a problem for failure to post a mine identification sign as required by Rule 3.1.12(1). The Operator shall, at the entrance of the mine site post a sign, which shall be clearly visible from the access road, with a minimum size equaling one hundred and eighty-seven (187) square inches, such as eleven (11) inches in height and seventeen (17) inches in width, with appropriate font size, with the following: the name of the Operator, a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and the permit number.

CORRECTIVE ACTIONS: The Operator shall, at the entrance of the mine site, post a sign which shall be clearly visible from the access road with the following: the name of the operator, a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and the permit number. The Operator shall submit photo documentation that a proper sign has been posted by the corrective action date.

CORRECTIVE ACTION DUE DATE: 3/31/23

OBSERVATIONS

The 83rd Joint Venture site was inspected by Peter Hays, Amber Michels and Hunter Ridley with the Division of Reclamation, Mining and Safety (Division/DRMS) as required by the Transfer of Permit and Succession of Operators (SO3) process and Rule 1.12. Mr. Wyatt Webster with Holcim – WRC, Inc. (Holcim) was present during the inspection.

On August 15, 2022, Holcim – WRC, Inc. submitted a Transfer of Permit and Succession of Operators (SO3) Application Form. Holcim provided a replacement Financial Warranty for the same dollar amount maintained by the previous operator, Aggregate Industries – WCR, Inc. (AI), in the amount of \$10,237,994.00

On August 26, 2022, the SO3 application was approved by the Division. Holcim is the permitted operator of the site and AI was released from reclamation responsibility for the site.

The Division is required to recalculate the reclamation bond amount as part of the SO process. The Division estimated the bond based on current equipment and labor costs at \$10,920,753.00, an increase of \$682,759.00. A copy of the bond estimate for SO3 is attached.

The Division will issue a notice of surety increase (SI) letter for the required financial warranty amount. Holcim will have sixty (60) days from the date of the letter to submit the addition financial warranty pursuant to Rule 4.2(2).

The previous monitoring inspection of the site was conducted on October 30, 2018. The site features remain consistent with the observations from 2018. The large erosion feature remains in the northwest corner of the site. The site vegetation is dominated by a prairie dog effected landscape, which consists of bare ground, volunteered trees and annual weeds. The Operator stated they are in discussions with the City of Greeley to purchase the required water rights needed to comply with the long-term groundwater augmentation requirements for the site. The Division is unable to release the site until the groundwater augmentation issue is resolved with the DWR and the site is reclaimed in accordance with the approved Reclamation Plan.

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

Wyatt Webster
Holcim - WCR, Inc.
1687 Cole Blvd., Ste. 300
Golden, CO 80401

Enclosure – SO Financial Warranty Estimate

Ec: Jared Ebert, DRMS

PHOTOGRAPHS



83rd Joint Venture mine site



View of the erosion feature located in the NW corner of the site looking northwest



View of the site from the northwest corner looking west



View of the site from the north peninsula looking south

GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(AR) RECORDS----- <u>Y</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>PB</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

COST SUMMARY WORK

Task description: SO3 Bond Estimate

Site: 83rd Joint Venture

Permit Action: SO3 Bond Estimate

Permit/Job#: M1992069

PROJECT IDENTIFICATION

Task #: 301

State: Colorado

Abbreviation: None

Date: 2/17/2023

County: Weld

Filename: M069-301

User: PSH

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
302	Import Backfill Material	SITEMAINT ENANCE	1	0.00	\$7,066,312
303	Site Revegetation	REVEGE	1	80.00	\$214,418
304	Mob/Demob	MOBILIZE	1	3.33	\$2,744
305	Compact and place imported fill	COMPACT	1	3,557.95	\$1,383,726
306	Backfill Stockpile Rough Grading	DOZER	1	2,941.06	\$772,074
<u>SUBTOTALS:</u>				6582.34	\$9,439,274

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$190,673

Performance bond: 1.05

Total = \$99,112

Job superintendent: 3,291.17

Total = \$247,266

Profit: 10.00

Total = \$943,927

TOTAL O & P = \$1,480,979

CONTRACT AMOUNT (direct + O & P) = \$10,920,253

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): \$500

Total = \$500

Engineering work and/or contract/bid preparation: 0.00

Total = \$0

Reclamation management and/or administration: 0.00

\$0

CONTINGENCY: 0.00

Total = \$0

TOTAL INDIRECT COST = \$1,481,479

TOTAL BOND AMOUNT (direct + indirect) = \$10,920,753

SITE MAINTENANCE

Task description: **Import Backfill Material**

Site: **83rd Joint Venture**

Permit Action: SO3 Bond Estimate

Permit/Job#: M1992069

PROJECT IDENTIFICATION

Task #: 302

State: Colorado

Abbreviation: None

Date: 2/17/2023

County: Weld

Filename: M069-302

User: PSH

Agency or organization name: DRMS

UNIT COSTS

Maintenance Item	Hours per Year	Menu Selection	Quantity	Unit	Unit Cost	Total Cost
Import Backfill Material	2890.00	USER PROVIDED ITEM	1,766,578.00	1	\$4.00	\$7,066,312.00

Job Hours: **0.00**

Total Cost: **\$7,066,312.00**

REVEGETATION WORKTask description: Site RevegetationSite: 83rd Joint VenturePermit Action: SO3 Bond EstimatePermit/Job#: M1992069PROJECT IDENTIFICATIONTask #: 303State: ColoradoAbbreviation: NoneDate: 2/17/2023County: WeldFilename: M069-303User: PSHAgency or organization name: DRMSFERTILIZING**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
			\$	\$
			Total Fertilizer Materials Cost/Acre	\$0.00

Application

Description	Cost /Acre
	\$
Total Fertilizer Application Cost/Acre	\$0.00

TILLING

Description	Cost /Acre
Chisel plowing {DMG}	\$98.43
Weed control spraying (MEANS 31 31 16.13 3100)	\$290.40
Total Tilling Cost/Acre	\$388.83

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Alkali Sacaton	0.20	7.81	\$5.70
Switchgrass - Blackwell	0.70	6.25	\$8.05
Sideoats Grama - Butte	0.90	2.95	\$8.10
Western Wheatgrass - Arriba	7.20	18.18	\$46.80
Needlegrass, Green - Lodorm	1.50	6.23	\$17.66
Totals Seed Mix	10.50	41.43	\$86.31

Application

Description	Cost /Acre
Drill Seeding (DRMS Survey Cost)	\$232.00
Total Seed Application Cost/Acre	\$232.00

MULCHING and MISCELLANEOUS

Materials

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Straw, delivered {MEANS 31 25 14.16 1200}	2.00	TON	\$421.36	\$842.72
Total Mulch Materials Cost/Acre				\$842.72

Application

Description	Cost /Acre
Crimping, with tractor {DMG survey data}	\$73.00
Total Mulch Application Cost/Acre	\$73.00

NURSERY STOCK PLANTING

Common Name	No / Acre	Type and Size	Planting Cost	Fertilizer Pellet Cost	Cost /Acre
Cottonwood, Narrowleaf	1	Tubling, 3 cu. in. container (MEANS)	\$1.14	\$0.00	\$1.14
Snowberry, Mountain	1	Container, 1 gallon (MEANS)	\$15.66	\$0.00	\$15.66
Winter Fat	1	Container, 1 gallon (MEANS)	\$9.94	\$0.00	\$9.94
Totals Nursery Stock Cost / Acre					\$26.74

JOB TIME AND COST

No. of Acres:	<u>124</u>	Cost /Acre:	<u>\$1,649.60</u>
Estimated Failure Rate:	<u>25%</u>	Cost /Acre*:	<u>\$318.31</u>
*Selected Replanting Work Items:	<u>FERTILIZING,SEEDING</u>		
Initial Job Cost:	<u>\$204,550.40</u>		
Reseeding Job Cost:	<u>\$9,867.61</u>		
Total Job Cost:	<u>\$214,418</u>		
Job Hours:	<u>80.00</u>		

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mob/Demob**Site: **83rd Joint Venture**Permit Action: **SO3 Bond Estimate**Permit/Job#: **M1992069****PROJECT IDENTIFICATION**Task #: **304**State: **Colorado**Abbreviation: **None**Date: **2/17/2023**County: **Weld**Filename: **M069-304**User: **PSH**Agency or organization name: **DRMS****EQUIPMENT TRANSPORT RIG COST**Shift basis: **1 per day**Cost Data Source: **CRG Data**Truck Tractor Description: **GENERIC ON-HIGHWAY TRUCK TRACTOR, 6X4, DIESEL POWERED,
400 HP (2ND HALF, 2006)**Truck Trailer Description: **GENERIC FOLDING GOOSENECK, DROP DECK EQUIPMENT
TRAILER (25T, 50T, AND 100T)****Cost Breakdown:**

Available Rig Capacities	0-25 Tons	26-50 Tons	51+ Tons
Ownership Cost/Hour:	\$15.25	\$23.06	\$37.58
Operating Cost/Hour:	\$25.26	\$30.83	\$51.41
Operator Cost/Hour:	\$27.71	\$27.71	\$27.71
Helper Cost/Hour:	\$0.00	\$20.22	\$20.22
Total Unit Cost/Hour:	\$68.22	\$101.82	\$136.92

NON ROADABLE EQUIPMENT:

Machine Description	Weight/ Unit (TONS)	Owner ship Cost/hr/ unit	Haul Rig Cost/hr/unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet	DOT Permit Cost/ fleet
CAT 825H	36.08	\$217.61	\$101.82	1	\$319.43	\$101.82	\$250.00
Cat D8T - 8SU	53.08	\$137.95	\$136.92	1	\$274.87	\$136.92	\$250.00
Subtotals:					\$594.30	\$238.74	\$500.00

ROADABLE EQUIPMENT:

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Subtotals:			\$0.00	\$0.00

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	<u>GREELEY</u>	
Total one-way travel distance:	<u>10.00</u>	miles
Average Travel Speed:	<u>30.00</u>	mph

Total Non-Roadable Mob/Demob Cost *	<u>\$2,743.96</u>
** two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	<u>\$0.00</u>
** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>0.33</u>	<u>0.33</u>
Return Time (Hours):	<u>0.33</u>	<u>0.33</u>
Loading Time (Hours):	<u>0.50</u>	<u>NA</u>
Unloading Time (Hours):	<u>0.50</u>	<u>NA</u>
Subtotals:	<u>1.67</u>	<u>0.67</u>

JOB TIME AND COST

Total job time:	<u>3.33</u>	Hours
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Total job cost:	<u>\$2,744</u>
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COMPACTION WORK

Task description: Compact and place imported fill

Site: 83rd Joint Venture

Permit Action: SO3 Bond Estimate

Permit/Job#: M1992069

PROJECT IDENTIFICATION

Task #: 305

State: Colorado

Abbreviation: None

Date: 2/17/2023

County: Weld

Filename: M069-305

User: PSH

Agency or organization name: DRMS

HOURLY EQUIPMENT COST

Basic Machine: CAT 825H

Horsepower: 354

Compactor Type: Soil - tamping foot

Shift Basis: 1 per day

Data Source: (CRG)

Cost Breakdown:

Ownership Cost/Hour:	\$217.61	Utilization %	NA
Operating Cost/Hour:	\$139.80		100
Operator Cost/Hour:	\$31.50		NA
Total Unit Cost/Hour:	\$388.91		
Total Fleet Cost/Hour:	\$388.91		

MATERIAL QUANTITIES

Loose volume: 1,766,578

LCY

Shrinkage factor: 0.900

Compacted volume: **1,589,920**

CCY

Source of estimated volume: Division of Reclamation, Mining & Safety

Source of estimated shrinkage factor: Cat Handbook

HOURLY PRODUCTION

Unadjusted hourly production = $(W \times S \times L \times C) / P$

Compacted width per pass (W):	<u>7.34</u>	feet
Average Compactor Speed (S):	<u>3.00</u>	mph
Compacted thickness of each lift (L):	<u>6.00</u>	inches
Conversion Constant (C):	<u>16.3</u>	(5,280ft./12in./27cu.ft.)
Required number of machine passes (P):	<u>4</u>	passes
Unadjusted Hourly Unit Production:	<u>538.39</u>	CCY/hour

Job Condition Correction Factors

Site Altitude: 4,800 feet

		Source
Altitude Adj:	<u>1.00</u>	(CAT HB)
Job Efficiency:	<u>0.83</u>	(1 shift/day)
Net Correction:	<u>0.8300</u>	multiplier

Adjusted Hourly Unit Production: 446.86 CCY/Hour

Adjusted Hourly Fleet Production: **446.86** CCY/Hour

JOB TIME AND COST

Fleet size: 1 Compactor(s)

Total job time: **3,557.96** Hours

Unit cost: \$0.870 per CCY

Total job cost: **\$1,383,726**

BULLDOZER WORKTask description: **Backfill Stockpile Rough Grading**Site: **83rd Joint Venture**Permit Action: **SO3 Bond Estimate**Permit/Job#: **M1992069****PROJECT IDENTIFICATION**Task #: **306**State: **Colorado**Abbreviation: **None**Date: **2/17/2023**County: **Weld**Filename: **M069-306**User: **PSH**Agency or organization name: **DRMS****HOURLY EQUIPMENT COST**Basic Machine: **Cat D8T - 8SU**Horsepower: **310**Blade Type: **Semi-Universal**Attachment: **NA**Shift Basis: **1 per day**Data Source: **(CRG)****Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	\$124.85	NA
Operating Cost/Hour:	\$97.63	100
Ripper own.		
Cost/Hour:	\$0.00	NA
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$40.04	NA
Total unit Cost/Hour:	\$262.52	
Total Fleet Cost/Hour:	\$262.52	

MATERIAL QUANTITIESInitial Volume: **1,766,578**Swell factor: **1.000**Loose volume: **1,766,578 LCY**Source of estimated volume: **Division of Reclamation, Mining & Safety**Source of estimated swell factor: **Cat Handbook****HOURLY PRODUCTION**Average push distance: **100 feet**Unadjusted hourly production: **852.6 LCY/hr**Materials consistency description: **Loose stockpile 1.2**Average push gradient: **-5 %**Average site altitude: **4,800 feet**Material weight: **2,900 lbs/LCY**Weight description: **Sand and gravel - Dry****Job Condition Correction Factor**Operator Skill: **1.000**Source
(EXCL.)

Material consistency:	1.200	(CAT HB)
Dozing method:	1.000	(GEN.)
Visibility:	1.000	(AVG.)
Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.800	(FND-RF)
Push gradient:	1.115	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.793	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.7045

Adjusted unit
production: 600.66 LCY/hr
Adjusted fleet
production: **600.66 LCY/hr**

JOB TIME AND COST

Fleet size: 1 Dozer(s)
Unit cost: \$0.437/LCY

Total job time: **2,941.06 Hours**
Total job cost: **\$772,074**