

PFM Consulting LLC

Colorado Division of Reclamation, Mining and Safety Attn: Amber Michels 1313 Sherman Street, Room 215 Denver, CO 80203

RE: Lascar Pit M2023-005, Preliminary Adequacy Response

March 7th, 2023

Ms. Michels,

Thank you for taking the time to review the Special Operations 111 Reclamation permit package for the Lascar Pit.

- 1. The arrow on Exhibit A/B page 3 has been corrected and is attached for your review.
- 2. The Exhibit E map has been updated to match the terms used in the permit application. Stock tank and water trough were used interchangeably but have been updated to avoid confusion. The additional updates to the exhibit have been completed and is attached for your review. Siete commits to providing the Road Access Agreement or equivalent document provided by Huerfano County for the use of County Road 650 for this project.
- 3. Exhibits B, C, and D have been updated with the verbiage requested on segregation of topsoil and overburden, as well as the reseeding requirement.
- 4. Exhibits B, C, and D have been updated with the verbiage requested on segregation of topsoil and overburden, as well as the reseeding requirement.
- 5. The dimensions of the stockpiles have been included on the Exhibit E map as requested.
- 6. The highwall will have a maximum length of 700 feet.
- 7. The word "Broadcasting" has been replaced with "Drilled" in the reclamation bond estimate and is attached for your review.
- 8. Please see the attached verification that the updated response has been placed with the Huerfano County Clerk and Recorder's Office.

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PFM Consulting LLC

9. Siete Inc. has reviewed the response from the Army Corp of Engineers. As this site does not anticipate any discharge of dredged or fill material into waters of the United States, no changes to the plan are anticipated based upon their response.

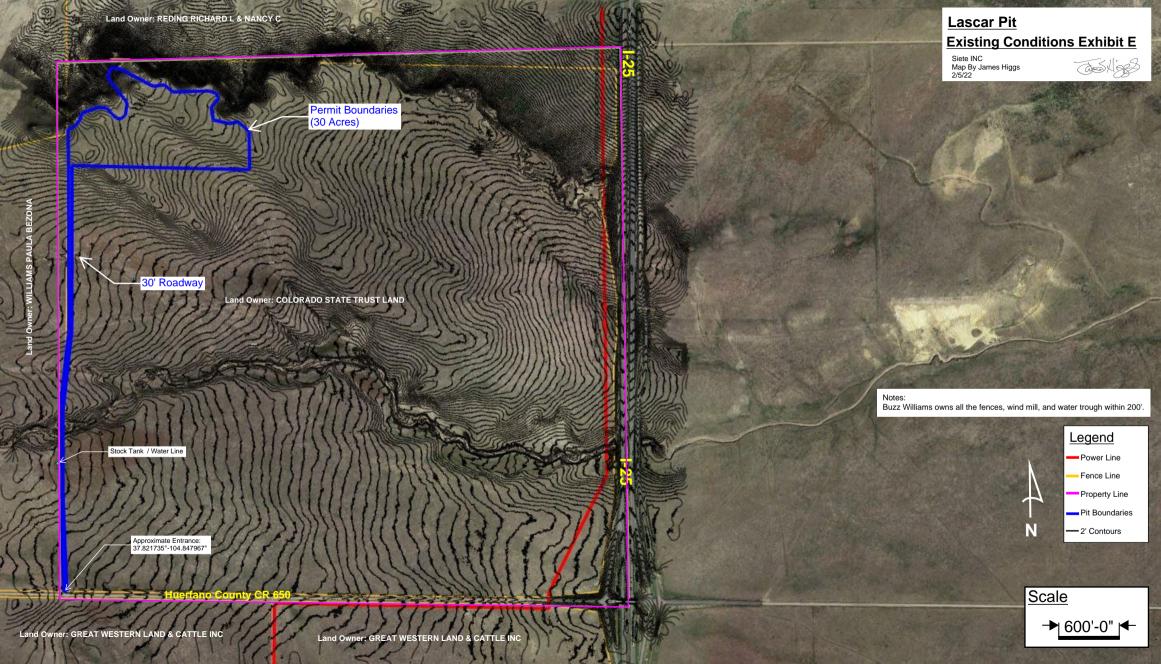
If additional information is needed to complete the adequacy review, please let me know and I will get the information submitted for review.

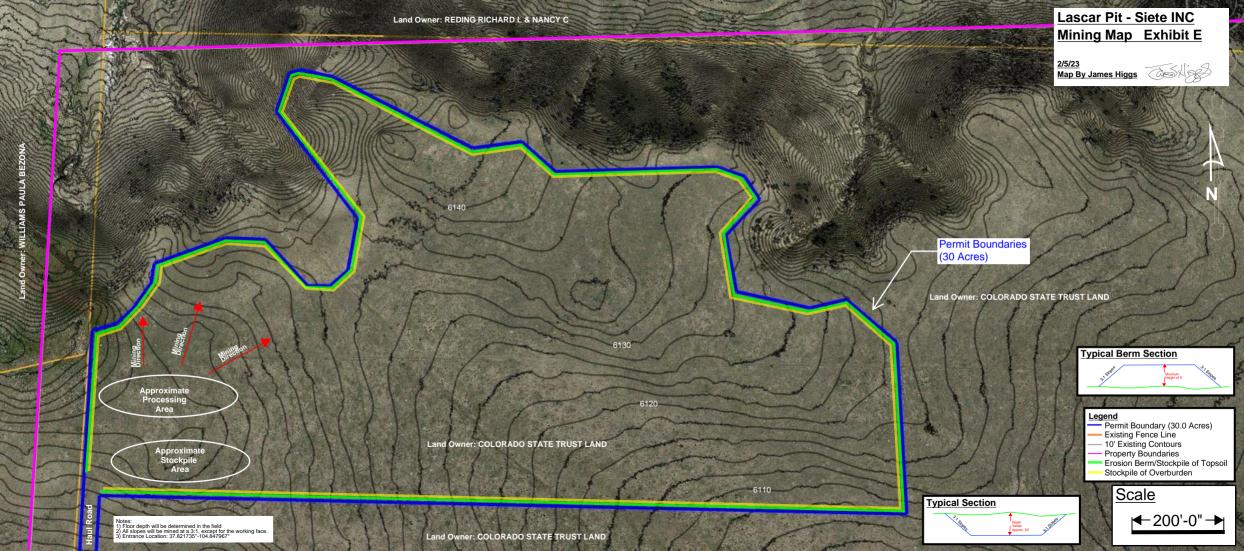
Warm Regards,

Jodi Schreiber

Jodi Schreiber, Owner PFM Consulting LLC







Lascar Pit

February 2023

111 Permit Application

Colorado Division of Reclamation, Mining, and Safety

Siete Inc.

Introduction

The Lascar Pit is located approximately 13 miles north of Walsenburg, CO in Huerfano County at an elevation of 6503 feet. The Lascar Pit will be used as sand and gravel source for Colorado Project No. FBR 025A-045 and Federal Highway Administration Project 6982AF23C000001; therefore, this application is for a Special Operations 111 reclamation permit. The permit boundary is shown on the Existing Conditions Map. Prior to mining, the site was used for rangeland and cattle grazing and will be reclaimed as such. The depth of excavation will be approximately 20 feet. Topsoil is expected to range from 3-4 inches.

The site is bordered by rangeland to the north, south, west, and east. The General Location Map in Exhibit A details the location of the Lascar Pit. The surface and mineral rights are owned by the Colorado State Land Board. A lease to mine and sell the gravel is attached for review. The permit area will include 30.0 acres.

6.3.1 EXHIBIT A LEGAL DESCRIPTION AND LOCATION MAP

The site is approximately 13 miles north of Walsenburg, CO. The property is surrounded by dry rangeland in each direction. County Road 650 borders the south end of the site and Interstate 25 is to the east of the property. The main site access is located at the southwest corner of the site with access from County Road 650 and is shown on the General Location.

The total permit area is 30.0 acres.

1. Legal Description

A tract of land located within the west half of Section 36, Township 25 South, Range 67 West of the 6th Principal Meridian of Huerfano County in the State of Colorado.

The pit can also be described as located at with a mine entry location of:

Latitude 37.821735°

Longitude -104.847967°

6.3.2 EXHIBIT B SITE DESCRIPTION

1. Location and General Land Use Information

The site is located along Huerfano County Road 650 and Interstate 25 and is composed of dry rangeland. The parcel is currently leased for agricultural operations by the Colorado State Land Board.

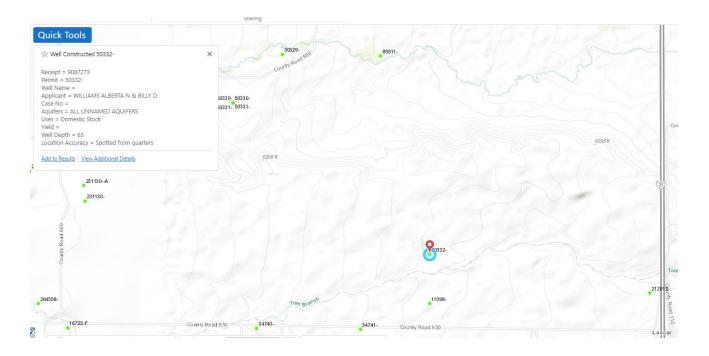
2. Site Geology

Site geology consists of 3-4 inches of topsoil. Mining will occur to a depth of approximately 20 feet. There are no hazardous or acid forming materials expected to be encountered during excavation. See the enclosed Natural Resources Conservation Service (NRCS) soil report for more details on surface composition. A majority of the site is composed of Baca Silt Loam. This material is well drained with slow to medium runoff and moderately slow permeability. These soils are used for both rangeland and for irrigated cropland. Native vegetation is blue grama, buffalograss, western wheatgrass, broom snakeweed and cactus. Samsil-chicosa complex is also on the property and is found in rangeland. The main native vegetation and includes little bluestem, western wheatgrass, sideoats grama, blue grama, green needlegrass, sedges and forbs. It is well drained and has a medium to high surface runoff. Permeability is slow.

3. Surface Hydrology

Pre-mining topography is shown on the Existing Conditions Map. All runoff on the undisturbed site runs to the south. Stormwater will be kept from leaving the site by using topsoil and overburden stockpiles which will surround the site following the perimeter. The stockpiles will be first developed on the western edge of the site and will encircle the full area over the mine's life. This perimeter topsoil berm is shown on the Mining Map. Stormwater that occurs on site will remain on site; however, the soils should allow for stormwater to infiltrate the site and pit floor within 72 hours. Topsoil and Overburden Stockpiles will be segregated. Topsoil Stockpiles will be seeded within 180 days of its stockpiling, if reclamation has not started at that time.

Based on data from the Division of Water Resources Well Permit Search map, groundwater is not anticipated to be encountered during any phase of mining. A structure depicted on the map below shows the well depth at 65 feet. Mining is not anticipated deeper than 20 feet. If groundwater is encountered, excavation will be stopped. The area will then be backfilled with at least two feet of material and no mining will occur beyond that depth.



1. Vegetation

Vegetation at this site is typical rangeland grasses for this area and covers approximately 30-60% of the site.

2. Wildlife

Environmental conditions, such as food and cover availability, is limited due to the climate. Small animals (rabbits, coyotes, etc.) are found in the surrounding environment. The site may also see white tail deer, antelope, prairie dog, various snakes and lizards. Impacts to wildlife will be mitigated through a weed management plan and reseeding all mined areas with a native rangeland seed mix.

3. Structures

There is a fence, stock tank, water line and County Road 650 that all lie within 200' of the permit boundary.

4. Soils

The NRCS soil map is included. The site contains two main soil types:

- Baca Silt Loam 61.9%, Well-drained with slow to medium runoff
- Samsil-Chicosa Complex 16.3%, Well-drained with medium to high runoff

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6.3.3 EXHIBIT C MINING PLAN

1. General Mining Plan

The Existing Conditions Map shows the current conditions of the Lascar Pit. The pit will provide aggregate for road construction work on Colorado Project No. FBR 025A-045 and Federal Highway Administration Project 6982AF23C000001. Mining will disturb up to 30 acres as shown on the Mining Map.

Mine access is via County Road 650 with access from Interstate 25. Mining of the gravel deposit will progress from the west side of the permit boundary and move to the east of the site. Stockpile and processing areas will be in the southwest corner of the site. The pit will be sloped to a 3H:1V or shallower to restore the site's previous drainage pattern.

A portable asphalt hot plant or concrete plant may be located at the site and will be located inside of the processing area as shown on the Mining Map. This area, as well as the stockpile and processing areas, will be prepped by removing and stockpiling topsoil for later reclamation. Mined and processed aggregate will be stored surrounding the portable processing plant(s). Topsoil and overburden berms will be stored around the perimeter of the permit boundary for later use in reclamation. Topsoil and Overburden Stockpiles will be segregated. Topsoil Stockpiles will be seeded within 180 days of its stockpiling, if reclamation has not started at that time.

2. Mining Timetable

The construction project is anticipated to February 2023, depending on weather. Mining is planned to finish by Fall 2023.

3. Mine Facilities and Operation

Toxic or acid-producing materials will not be encountered during the mining operation. No blasting or explosives will occur/be used during mining nor on site. Bulk storage of fuel and small amounts of lubricants may be stored on site and will be either double walled or housed

within an earthen berm that will have a capacity of at least 110% of the volume of the tanks to be kept onsite. No permanent structures will be built within the permit area as part of this operation. Water will be used to control dust on site. Water for this operation will be purchased from an offsite source in Colorado City and trucked to the site It is estimated that the operation will consume up to 10,000 gallons of water per day for dust suppression. Portable plants will be used onsite for rock crushing. Spray bars will be used in the crushing and screening plant to minimize dust.

Aggregate processing equipment is portable. The processing equipment may move and follow active mining throughout the site. Portable mining equipment such as loaders, dozers, trucks, and excavators will be serviced onsite as needed. Upon reclamation, all portable equipment will be removed from the site.

On-site roads are temporary and will change as mining progresses to the east. Support equipment will come to the site on an as-needed basis. Night mining activity may occur in the operation and portable lighting may be used within the pit from time to time. Portable toilets will be used for employees.

Stormwater drainage on the disturbed areas will be directed by berms that border all disturbed areas of the site. The operation will create a depressed area. No stormwater or process water will leave the site and will be directed toward the center of the disturbed area where it will infiltrate within 72 hours. Except for the highwall, slopes will be maintained at 3H:1V or shallower. As no stormwater will leave or is anticipated to leave the site, a CDPHE Storm Water Discharge permit is not required.

4. Topsoil and Overburden Handling

Topsoil will be salvaged from the disturbed areas and placed in temporary perimeter berms surrounding the disturbed area. Piles are shown at the perimeter of the permit boundary on the Mining Map. Topsoil is expected to be approximately 3-4 inches and overburden is expected to be approximately 18-30 inches. The topsoil and overburden berms will be used for reclamation to construct 3H:1V slopes or shallower. The deposit is approximately 20 feet in depth. There are no significant disturbances onsite pre-mining. The haul road will be approximately 30 feet

wide and will be constructed as with any gravel road, by removing the topsoil to a width of 30 feet.

5. Schedule of Operations

Mining, screening, and processing will be conducted with portable equipment between February and September 2023. Mining operations will be dictated by the project schedule. Mining may take place 6 days per week for the duration of the project.

6. Huerfano County Impacts and Environmental Impacts

The impacts to Huerfano County will be limited. Minimal dust is expected from the operation as the pit and roads are watered as needed. Water used is purchased and brought on site and applied on an as-needed basis to control dust on haul roads and within the mine area.

6.3.4 EXHIBIT D RECLAMATION PLAN

1. General Reclamation Plan

The maximum disturbed area to be reclaimed under this permit is ~30.0 acres. Post-mining land use will return the site back to dry rangeland with native grasses. All areas of the site including will be reclaimed to 3H:1V or shallower. As described in the mining plan, reclamation will occur concurrently with mining. No interior haul roads will remain following reclamation. All reclaimed areas will be sloped, topsoil replaced and seeded with the approved seed mix.

2. Topsoil Replacement

Topsoil onsite is anticipated to range from 3-4 inches thick. During mining, all topsoil will be stored in the site perimeter berm of the site and are shown on the Reclamation Map. Topsoil and Overburden Stockpiles will be segregated. Topsoil Stockpiles will be seeded within 180 days of its stockpiling, if reclamation has not started at that time.

3. Haul Roads and Access

One entrance road will connect the site to County Road 650. Onsite haul roads will move as

mining moves throughout the site. No interior haul roads will remain following reclamation.

4. Reclamation Timetable

Reclamation will occur concurrently with mining. Topsoiling and seeding will occur between the Fall 2023 and Spring 2024.

5. Revegetation Plan

For reclamation, seed will be drilled. Heavy furrows may be left to help concentrate moisture and provide shade for vegetation establishment. An NRCS approved seed mix will be used. It is anticipated that the following mix would be adequate for reclamation purposes.

APPLICATION RATE (drilled)

Native Grass Seed Mix

SPECIES

Western Wheatgrass	16 pounds of pure live seed per acre
Blue Grama	1.2 pounds of pure live seed per acre
Galleta	1.6 pounds of pure live seed per acre
Sand Dropseed	0.1 pounds of pure live seed per acre
Winter Fat	0.1 pounds of pure live seed per acre

6. Post-Reclamation Site Drainage

Final reclamation surfaces will be graded so that waters flow in a similar path to the original pre-mining path. Any onsite water will infiltrate within 72 hours.

7. Monitoring Reclamation Success

The local NRCS office may assist in any reclamation issues or to help control erosion. Weed mitigation will occur through mechanical removal. If there are issues that arise regarding noxious weed control, Siete Inc. will contact the Huerfano County Noxious Weed Coordinator for guidance.

8. Reclamation Bond

The bond for the site will be based upon \$2,500 per acre. The site will have 30.0 acres of disturbance. Since a fraction of an acre is counted a whole acre by the Division, the bond will be

30.0 acres x \$2,500.00 per acre = \$75,000.00.

Reclamation cost estimates were calculated on a per acre basis and applied to maximum active mining area of 30 acres.

Direct Tasks	Unit	Quantity	Cost	Total Cost
Placing Topsoil/Fines				
Bull Dozer	Hours	0.33	\$145.00	\$47.85
Loader	Hours	0.33	\$145.00	\$47.85
Seeding				
Drilling	Hours	0.33	\$300.00	\$99.00
Seed Mix	Acre	1	\$350.00	\$350.00
Mulch	Acre	1	\$187.50	\$187.50
Tracking seed/mulch				
Dozer	Hours	0.33	\$154.00	\$50.82
Area Reclaimed	Acre	30		\$23,490.60
Mobilization Fee	Hours	5	\$100	\$500.00
Indirect Tasks				
Liability Insurance			0.0155	\$364.00
Performance Bond			0.015	\$352.00
Profit			0.1	\$2,349.00
Job Superintendent	Hours	20	\$88.00	\$1,760.00
Miscellaneous Indirect			0.0925	\$2,172.00
Total Bond				\$30,987.60

6.3.5 EXHIBIT E MAPS

Existing Conditions Map

Mining Map

Reclamation Map

6.3.6 EXHIBIT F LIST OF OTHER PERMITS AND LICENSES REQUIRED

The following permits are necessary for the full operation of the Lascar Pit:

- APEN A fugitive air emissions permit is needed from the Colorado Department of Public Health and Environment. Air emissions permits will be in place for all equipment and portable plants utilized on site which require a permit.
- 2. Huerfano County Special Use Permit.

6.3.7 EXHIBIT G SOURCE OF RIGHT-TO-ENTER

The surface and mineral owner of the property which will be mined is the Colorado State Land Board. The Operator is Siete Inc. Attached is the lease between the two entities.

6.3.8 EXHIBIT H MUNICIPALITIES WITHIN TWO MILES

There are no municipalities within two miles of the site.

6.3.9 EXHIBIT I PROOF OF FILING WITH COUNTY CLERK

February 10, 2023

Huerfano County Clerk and Recorder 401 Main Street Walsenburg, CO 81089

To Whom It May Concern:

Enclosed is an application to the Colorado Division of Reclamation, Mining, and Safety for a Special Operations 111 Reclamation Permit for the operation known as the Lascar Pit, located approximately 13 miles north of Walsenburg, CO off County Road 650. The applicant is Siete Inc. The Colorado Division of Reclamation, Mining, and Safety (DRMS) requires evidence that the application has been filed with your office. Therefore, would please sign and date the area below and return via mail or email your signed acknowledgement of this application. I will forward your acknowledgement to the DRMS.

Sincerely,	
Jodi Schreiber Mobile 719-529-0916 pfmconsultingcompany@gmail.com	
The application was received on the following date:	

6.3.10 EXHIBIT J

PROOF OF MAILING OF NOTICES TO THE BOARD OF COUNTY COMMISSIONERS AND SOIL CONSERVATION DISTRICT

February 10, 2023

Huerfano County Commissioners 401 Main Street Walsenburg, CO 81089

To Whom It May Concern:

Enclosed is a notice for an application to the Colorado Division of Reclamation, Mining, and Safety for a Special Operations 111 Reclamation Permit for the operation known as the Lascar Pit, located approximately 13 miles north of Walsenburg, CO off County Road 650. The applicant is Siete Inc. The Colorado Division of Reclamation, Mining, and Safety (DRMS) requires evidence that the application has been filed with your office. Therefore, please sign and date the area below. Return via mail or email your signed acknowledgement of this application and we will forward your acknowledgement to the DRMS.

Sincerely,	
Jodi Schreiber	
Mobile 719-529-0916 pfmconsultingcompany@gmail.com	
The application was received on the following date:	

NOTICE OF FILING APPLICATION FOR COLORADO MINED LAND RECLAMATION PERMIT FOR SPECIAL OPERATIONS (111) MINING OPERATION

NOTICE TO THE BOARD OF COUNTY COMMISSIONERS HUERFANO COUNTY

Siete Inc. has applied for a Special Operations (111) Reclamation permit from the Colorado Mined Land Reclamation Board (the "Board") to conduct the extraction of construction materials in Huerfano County. The attached information is being provided to notify you of the location and nature of the proposed operation. The entire application is on file with the Division of Reclamation, Mining, and Safety (the "Division") and the local county clerk or recorder.

The applicant/operator proposes to reclaim the affected land to rangeland. Pursuant to Section 34-32-116(7)(m), C.R.S., the Board may confer with the local Board of County Commissioners before approving of the post-mining land use. Accordingly, the Board would appreciate your comments on the proposed operation. Please note that, in order to preserve your right to a hearing before the Board on this application, you must submit written comments on the application within twenty (20) days after the date of the applicant's newspaper publication.

If you would like to discuss the proposed post-mining land use, or any other issue regarding this application, please contact the Division of Reclamation, Mining, and Safety, 1313 Sherman Street, Room 215, Denver, Colorado 80203, (303) 866-3567.

February 10, 2023

Upper Huerfano Conservation District 711 Walsen Avenue, Suite A Walsenburg, CO 81089

To Whom It May Concern:

Enclosed is a notice for an application to the Colorado Division of Reclamation, Mining, and Safety for a Special Operations 111 Reclamation Permit for the operation known as the Lascar Pit, located approximately 13 miles north of Walsenburg, CO off County Road 650. The applicant is Siete Inc. The Colorado Division of Reclamation, Mining, and Safety (DRMS) requires evidence that the application has been filed with your office. Therefore, please sign and date the area below. Return via mail or email your signed acknowledgement of this application and we will forward your acknowledgement to the DRMS.

Sincerely,	
Jodi Schreiber Mobile 719-529-0916 pfmconsultingcompany@gmail.com	
The application was received on the following date: _	
By:	SIGNATURE

NOTICE OF FILING APPLICATION FOR COLORADO MINED LAND RECLAMATION PERMIT FOR SPECIAL OPERATIONS (111) MINING OPERATION

NOTICE TO THE UPPER HUERFANO CONSERVATION DISTRICT

Siete Inc. has applied for a Special Operations (111) Reclamation permit from the Colorado Mined Land Reclamation Board (the "Board") to conduct the extraction of construction materials in Huerfano County. The attached information is being provided to notify you of the location and nature of the proposed operation. The entire application is on file with the Division of Reclamation, Mining, and Safety (the "Division") and the local county clerk or recorder.

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If you would like to discuss the proposed post-mining land use, or any other issue regarding this application, please contact the Division of Reclamation, Mining, and Safety, 1313 Sherman Street, Room 215, Denver, Colorado 80203, (303) 866-3567.

6.3.11 EXHIBIT K TERMS OF GOVERNMENT CONTRACT

See attached.

6.3.12 EXHIBIT L PERMANENT MAN-MADE STUCTURES

There is a stock tank, fence and County Road 650 within 200' of the permit boundary. A Structure Agreement for the stock tank, fence and water line is attached for review. Huerfano County is still in the process of approving the Conditional Use Permit and will provide a Road Access Agreement at that time. Siete, Inc. will forward that to DRMS as soon as it is obtained.

The Huerfano County Clerk and Recorder's Office has received an updated copy of the Lascar Pit Special 111 Permit application, including an updated narrative and updated maps, to be made available for public review.

Huerfano County Clerk and Recorder's Office

Date