


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: Lascar Pit	MINE/PROSPECTING ID#: M-2023-005	MINERAL: Aggregate	COUNTY: Huerfano
INSPECTION TYPE: Preoperation Inspection	WEATHER: Windy	INSP. DATE: March 28, 2023	INSP. TIME: 14:10
OPERATOR: Siete, Inc.	OPERATOR REPRESENTATIVE: Jodi Schreiber	TYPE OF OPERATION: 111 - Construction by Government Agency	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: No Bond Held
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
INSPECTOR(S): Amber Michels	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: April 4, 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 proposed mine site identification sign as required by Rule 1.6.2(1)(b) Addendum 1.

CORRECTIVE ACTIONS: The Applicant shall, at the entrance of the proposed mine site post a notice (sign), which shall be clearly visible from the access road, with a minimum size of eleven (11) inches in height and seventeen (17) inches in width, with appropriate font size, to clearly identify the site as the location of a proposed mining operation giving name, address, and phone number of the Applicant, and stating that (name of Applicant) has applied for a mining permit with the Colorado Mined Land Reclamation Board. The Applicant shall submit photo documentation showing that a notice has been posted by the corrective action date.

CORRECTIVE ACTION DUE DATE: 4/13/23

OBSERVATIONS

The Lascar Pit was inspected on March 28, 2023 by Amber Michels with the Division of Reclamation, Mining, and Safety (Division/DRMS). The inspection was conducted as a pre-operational inspection. Jodi Schreiber of PFM Consulting LLC represented the Applicant. The weather was windy and clear.

The Lascar Pit is a proposed 111 Special Operation that may be permitted to disturb 30 acres or less. The Lascar Pit's proposed use will be as a sand and gravel source for the Colorado Project No. FBR 025A-045 and Federal Highway Administration Project 6982AF23C000001. Affected lands will be reclaimed to support rangeland as the post-mining land use. The site is located approximately 13 miles north of Walsenburg, Colorado, and is about one mile west of Exit 64 on Interstate 25 South. The Division met Ms. Schreiber at the originally proposed mine site entrance on the north side of Huerfano County Road 650.

Financial Warranty:

A cost estimate was calculated by the Division and sent to the Applicant on March 10, 2023 which determined the required bond amount to be \$96,976. However, due to a typographical error resulting in a cost discrepancy quoted in the Division's second adequacy review, the required surety was set as \$95,976. The Applicant has provided a new Financial Warranty reflecting the required surety quoted in the adequacy review. On March 31, 2023 the Applicant was contacted and made aware of the Division's error. The Division has asked for an amendment to the financial warranty in the amount of \$1,000 to correct this error.

Gen. Compliance With Mine Plan:

The Division was unable to access the proposed site beyond the currently proposed entrance gate. The gate was secured with barbed wire, and without cutting the wire, it was unable to be opened. From the entrance, the Applicant reiterated the mining plan proposed in the application, and stated that the processing area will be in the south-west portion of the main permit area, and mining will progress north-eastward and eastward from the processing area throughout the project. The Applicant also pointed out the mesa that can be seen from the road, and explained that it will be mined to reduce impacts on visual effects from Interstate 25 South (see Photo 4, Map 2, and Map 3 below).

The Applicant also reiterated that topsoil stockpiles will be kept separate from the overburden stockpiles, and will be out of the way of mining operations. The stockpiles will be stored around the perimeter of the permit boundary, and will aid in stormwater retention. The stormwater will remain on site, but the soil is expected to allow for the stormwater to infiltrate the pit floor within 72 hours. Upon observation, the surface soil at the currently proposed entrance gate appeared to be silty and permeable, reflecting the information in the permit application.

Roads:

The Applicant stated that they have been instructed by Huerfano County, County Commissioners to either pave the portion of County Road 650 that leads to the currently

proposed road access location, or move the access location to the east portion of Section 36, Township 25 South, Range 67 West. The Applicant has decided to do the latter. The Applicant was instructed by the Division to file a Technical Revision to the Special Operations 111 Permit Application to revise the new permit boundary the new road location and design will involve. The Applicant stated that they will submit the required Technical Revision in the near future.

There is currently an existing small access road leading from County Road 650 to the mining area of the proposed site (see Photos 1 and 2 below). The originally proposed access road was to be constructed over this existing road to create improved access for the mining equipment and vehicles. This was to be accomplished by removing topsoil to a width of 30 feet. The majority of this pre-existing road will still be improved with the construction of a new access road. The new access road is anticipated to connect with the pre-existing road after providing road access from County Road 650 at the east side of Section 36, and cutting across the section from east to west (see Map 1 below).

Structures:

A windmill is noted as a structure within 200 feet of the permit area on the Applicant's Existing Conditions Exhibit E map. However, the windmill is not located on the map. The windmill was observed from the outside of the currently proposed site entrance (see Photo 3 below). The Applicant stated that they will include this structure on the new maps that they will be submitting through their Technical Revision.

The powerlines, fence, and County Road 650 from the Exhibit E map were also observed from outside the proposed permit area (see Photos 5-8 below). Because we were unable to access the main proposed permit area, the waterline and stock tank could not be observed.

Signs and Markers:

A problem was cited above due to the absence of a notice sign posted at the proposed entrance to the site. A notice sign in compliance with Rule 1.6.2(1)(b) Addendum 1 was reported to be present at the entrance of the proposed mining site on February 23, 2023 (see Photo 9 below). At the time of the inspection, this notice was not observed. The Applicant believes that it may have been torn away from the fence by the strong winds in the area, and the Division agrees with this assessment. To abate this problem, the Applicant must provide photo evidence to the Division showing that a notice has been re-posed and secured at what will be the new proposed location of the access road.

The Applicant was also reminded that upon approval of their application, and prior to mining, permit boundary markers must be installed.

This concludes the Division's Inspection Report; a few maps displaying topics discussed during the inspection and a subset of photographs that were taken during the time of the inspection are included below. If you need additional information or have any questions, please contact me by email at amber.michels@state.co.us or by telephone at (720) 836-0967.

Inspection Contact Address

Jodi Schreiber

Siete, Inc.

P.O. Box 202

Rye, CO 81069

CC: Baxter Kirkland, Siete, Inc.
 Jared Ebert, DRMS

GENERAL INSPECTION TOPICS

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

(AR) RECORDS----- <u>N</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>Y</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>Y</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

PHOTOGRAPHS



Photo 1: Looking north-west at the entrance to the pit currently proposed in the Special Operations 111 application.



Photo 2: Looking north at the current entrance road present prior to mining operations, leading to the pit currently proposed in the Special Operations 111 application.



Photo 3: Looking north at the proposed permit area. Circled is a windmill that is mentioned on the Applicant's current Existing Conditions Exhibit E map, but is not located on the map.



Photo 4: Looking north at the southern side of a mesa proposed to be mined.



Photo 5: Looking west at land adjacent to the proposed site.



Photo 6: Looking west at land adjacent to the proposed site. The yellow arrow indicates the location of Huerfano County Road 650. The red arrow highlights the southern portion of the fence located in the Applicant's Existing Conditions Exhibit E map.



Photo 7: Looking north across the property surrounding the proposed mine site.



Photo 8: Looking east at land adjacent to the proposed site. From a discussion with the Applicant, the new access road will begin near this spot (see Map 1 below). The yellow arrows indicate the location of

the powerlines located in the south-eastern corner and expanding to the north-eastern side of the Applicant's Existing Conditions Exhibit E map.

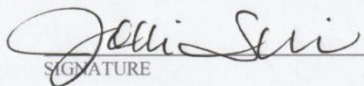
The following is a sample of the Notice required for Rule 1.6.2(1)(b) that you may wish to use. You must post a notice at the proposed access to the site.

NOTICE

This site is the location of a proposed construction materials operation. (Name of the Applicant/Operator) Siete, Inc.
_____, whose address and phone number is (Address and Phone Number of the Applicant/Operator) PO Box 202, Rye, CO 81069
_____, has applied for a Special 111 Operation Reclamation Permit with the Colorado Mined Land Reclamation Board.
Anyone wishing to comment on the application may view the application at the (County Name) Huerfano
_____, County Clerk or Recorder's Office, (Clerk or Recorder's Office Address) 401 Main Street, Walsenburg, CO 81089
and should send comments prior to the end of the public comment period to the Division of Reclamation, Mining, and Safety,
1313 Sherman St., Room 215, Denver, Colorado 80203.

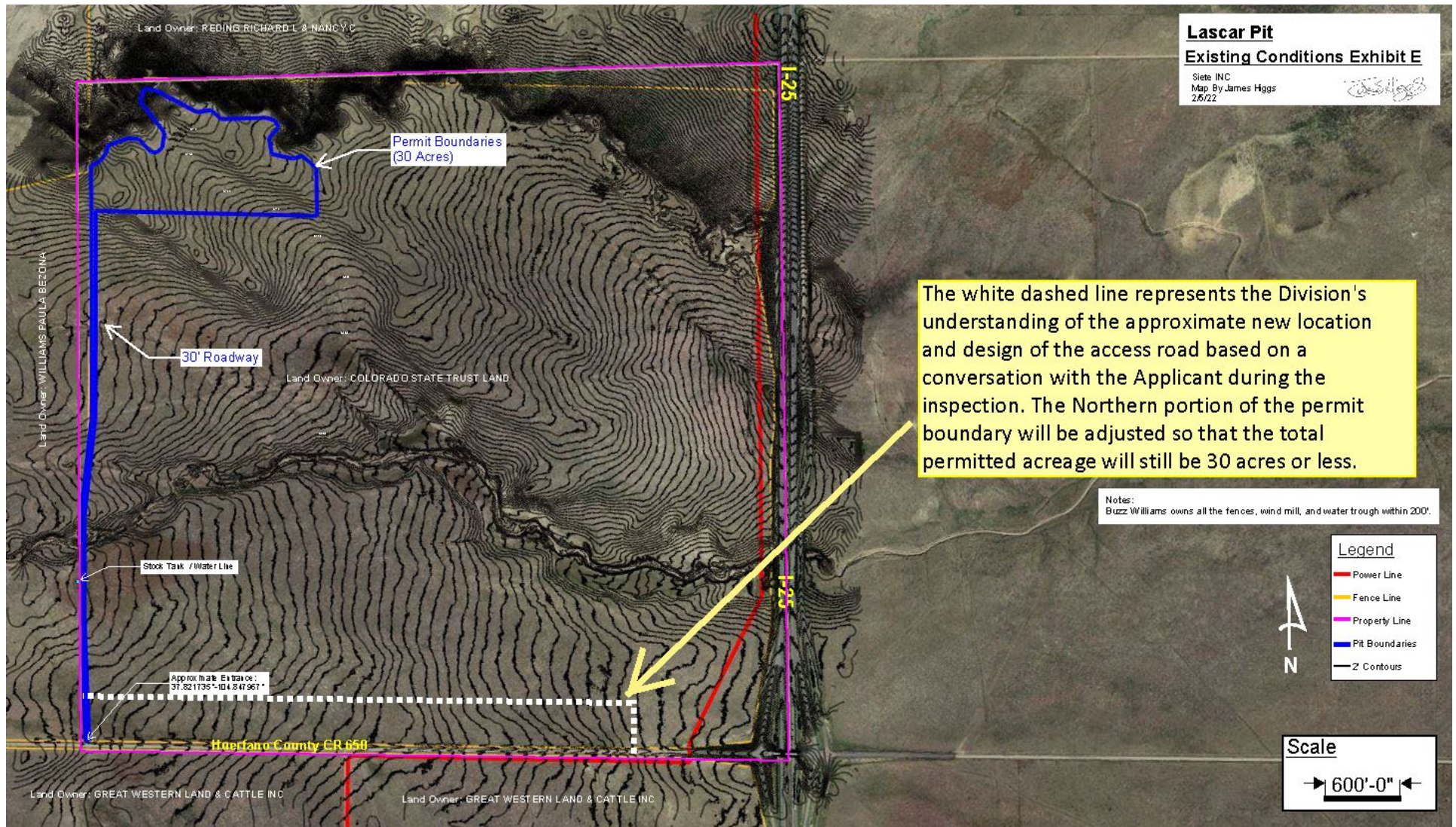
Certification:

I, (Name of the Applicant/Operator) Siete, Inc. hereby certify that I posted a sign containing the
above notice for the proposed permit area known as the (Name of Operation) Lascar Pit, on (Date
Posted) February 10, 2023

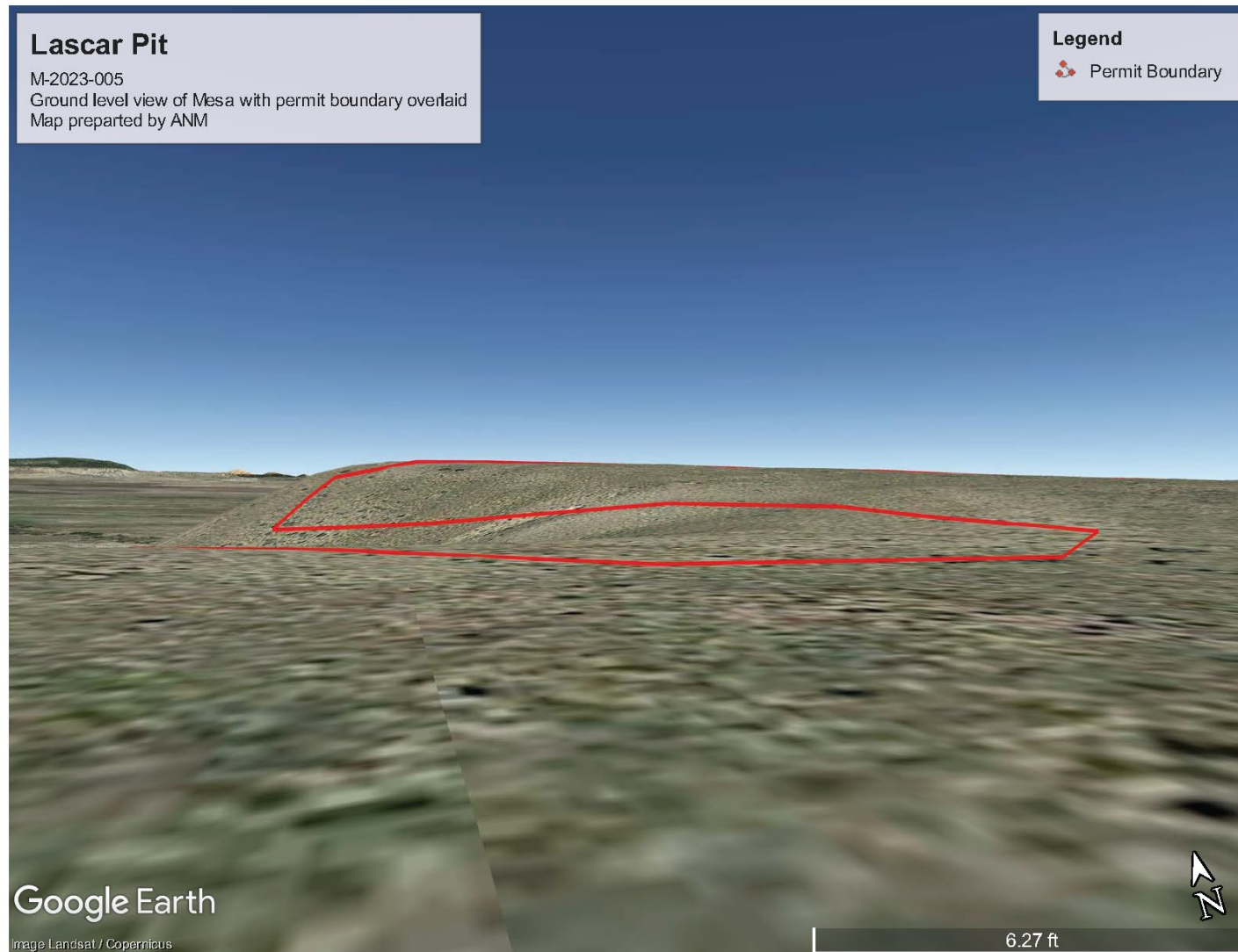

SIGNATURE

DATE February 10, 2023

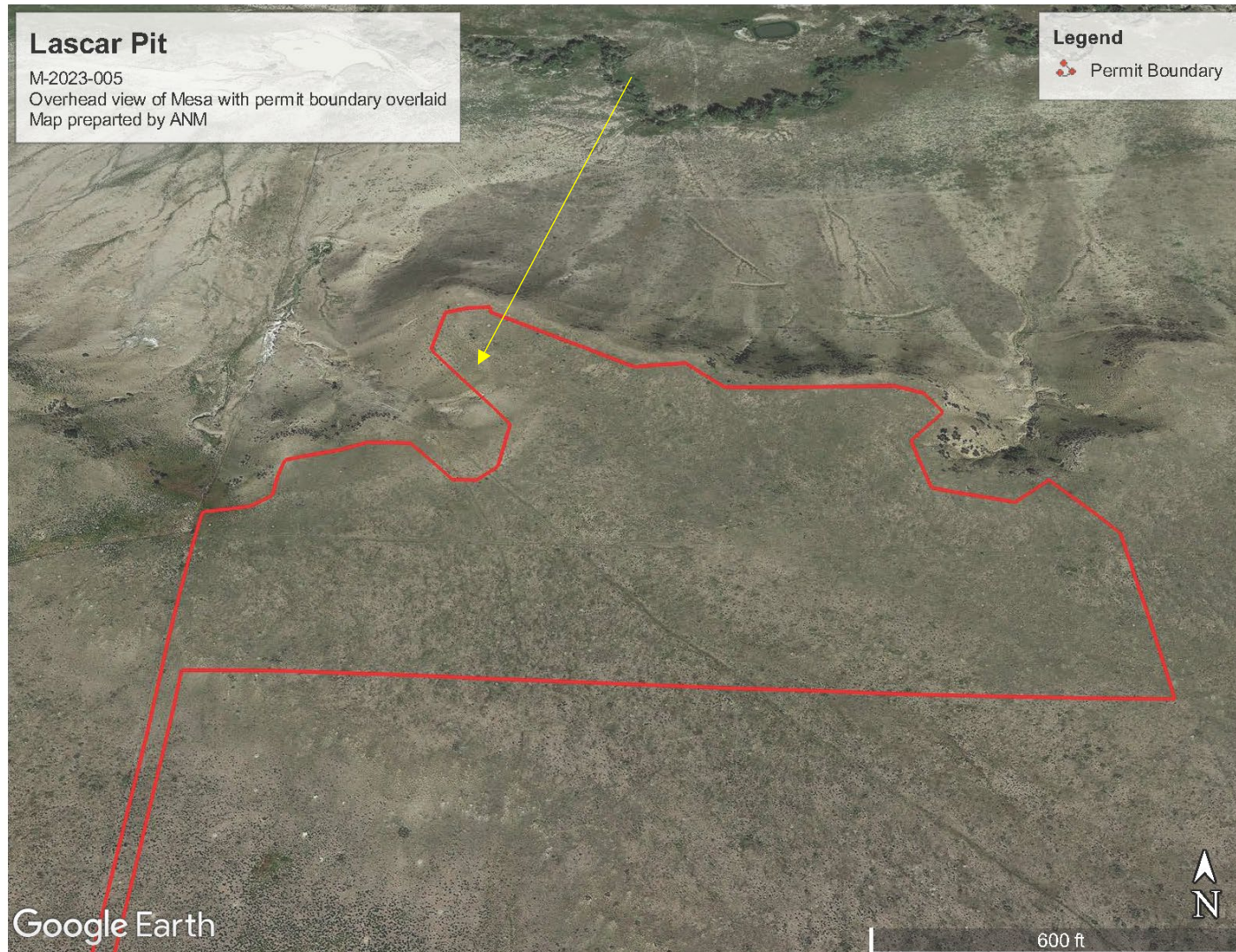
Photo 9: Notice sign originally posted at the originally proposed entrance to the Lascar Pit. Due to the high winds in the area, the sign had blown away prior to the inspection. A new sign and photo of the posted sign at the new proposed entrance is required.



Map 1: Map edited by the Division from the Applicant's most recent adequacy responses. The Division's edits include the yellow text box, yellow arrow, and white dashed line. This map notes a windmill as a structure in a text box, but does not have the structure labeled on the map, this was discussed with the Applicant in the field and it was agreed that the new maps submitted with a Technical Revision will include the windmill's location.



Map 2: Map generated from Google Earth Pro. Map shows ground level view of mesa featured in Photo 4 with the currently proposed permit boundary overlain.



Map 3: Map generated from Google Earth Pro. Map shows an overhead view of mesa featured in Photo 4 with the currently proposed permit boundary overlain. Yellow arrow delineates area seen in the ground level view on Map 2.