

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:
Ingleside Quarry	M-1980-037-HR	Limestone (general)	Larimer
INSPECTION TYPE:	WEATHER: Clear	INSP. DATE:	INSP. TIME:
Surety-Related Inspection		April 27, 2023	11:30
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Pioneer Sand Company, Inc.	Kurt Thurmann, Jessica Walker	112c - Construction Regular Operation	
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:	
Surety Related	Complete Bond	\$90,878.51	
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGE	NCY:
NA	None	None	
INSPECTOR(S):	INSPECTOR'S SIGNATURE:	SIGNATURE DAT	E:
Patrick Lennberg	Patrick Stor	May 5, 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.

(AR) RECORDS <u>N</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>N</u>
(PW) PROCESSING WASTE/TAILING <u>N</u>	(SF) PROCESSING FACILITIES Y	(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>Y</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>Y</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

OBSERVATIONS

The Ingleside Quarry was inspected by Patrick Lennberg with the Division of Reclamation, Mining and Safety (Division/DRMS). The inspection was completed in response to a Succession of Operators application (Revision No. SO-4) that was received by the Division on January 24, 2023 to transfer the site from Pioneer Sand and Gravel to Holcim-WCR, Inc. Kurt Thurmann and Jessica Walker representing the successor operator, Holcim – WCR, Inc., were present during the inspection The site was previously inspected by the Division on July 17, 2018 as part of the Division's routine monitoring inspection program. The weather was clear and windy.

The Ingleside Quarry is located in Larimer County approximately 10.1 miles north of Laporte, Colorado on the west side of US 287. The site is 112c permitted for 86 total acres with 66 acres approved to be affected. The approved post-mining land use is rangeland. A mine sign was observed at the entrance to the mine as required by Rule 3.1.12. It should be noted the mine sign needs to be updated to reflect the new permittee once SO-4 is approved.

The site was active at the time of inspection. Trucks were being loaded with material exiting the site for distribution to market. A drill rig was working to advance holes in preparation for blasting. There is a portable scale-house at the primary mine entrance. The approved mining plan indicates the total affected area that can occur at the site to be 66 acres. However, the plan further explains that there should only be 6 acres of major disturbance, 8 acres of moderate disturbance and 7 acres of minor disturbance. It is not clear based on the mining plan what constitutes major, moderate and minor disturbance. Based on the observations made at the site, recent Google Earth aerial photograph dated June 11, 2021, and the 2022 Annual Report the Division estimates 29 acres have been affected by the quarry operation. This area consists of the main quarry area, the stockpile/processing area, roads, and equipment laydown areas.

Typically, mining is completed by first blasting material. Once there is sufficient blasted material a processing contractor mobilizes to the site to crush and screen the material to the desired specifications. Mining has been and continues to be from north to south. The advancing highwall daylights to the east and to the north forming an "L" shape. The Operator has created two reclaimed benches on the north side of the site. The highwall above each bench is 20 to 25 feet in height. Below the second bench the highwall is about 10 to 15 feet in height and a slope of rubble has been graded to a near 3H:1V angle. At the toe of the advancing slope, there is a level area where processing and stockpiles of the various types of mine products. It appears the Operator is maintaining the 50 foot offset from the edge of ridge in accordance with the approved plan.

At the time of writing this report the Division was awaiting a response to its 2nd incompleteness letter dated April 13, 2023. Since the date of the inspection the Operator extended the decision date to the end May so they have time to get all the agreements needed to call the SO-4 application complete. Once Holcim becomes the permittee they plan on releasing acres of the permit to reduce the permit size to 66 acres. The 66 acres will be on land currently owned by 11585 North US Highway 287 LLC. Reducing the permit area will involve reclamation of mining disturbances outside of this property and releasing acres that have yet to be affected by mining.

The financial warranty was recalculated as part of this inspection and there will be an increase. A copy of the Division's estimate will be provided to the Operator for review under a separate cover letter. Holcim-WCR, Inc will have to post the new financial warranty amount prior to approval of SO-4.

Please contact Patrick Lennberg (303)866-3567 ext. 8114 or email at <u>patrick.lennberg@state.co.us</u> if you have any questions regarding this report.

Inspection Contact Address

Kurt Thurmann, and Jessica Walker Holcim - WCR, Inc. 1687 Cole Blvd., Suite 300 Golden, CO 80401

cc: Jared Ebert, DRMS

ec: Kurt Thurman, Holcim – WCR, Inc, <u>kurt.thurmann@holcim.com</u> Jessica Walker, Holcim – WCR, Inc, <u>i.walker@holcim.com</u> Wyatt Webster, Holcim – WCR, Inc, <u>wyatt.webster@holcim.com</u>

PHOTOGRAPHS



Photo 1: Mine sign at entrance to permit



Photo 2: Portable Scale House



Photo 3: Shooting range adjacent to permit area



Photo 4: Mined and reclaimed area of the highwall, looking west



Photo 5: Stockpile area and blasting materials storage containers



Photo 6: Blasted rock material, drill rig circled in yellow



Photo 7: Looking north from the southern end of the affected area



Photo 8: Looking northeast across the lower bench area



Photo 9: Looking north across the lower bench area



Photo 10: Looking south towards the mine entrance, gun range to the left of photo