




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: Heintzelman Project (Pit 116)	MINE/PROSPECTING ID#: M-2009-018	MINERAL: Sand and gravel	COUNTY: Weld
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: May 16, 2023	INSP. TIME: 08:30
OPERATOR: Varra Companies, Inc.	OPERATOR REPRESENTATIVE: Garrett Varra, Brad Janes	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$425,000.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Robert Zuber, P.E. Michael Cunningham	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: May 18, 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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>NA</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>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>NA</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</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>Y</u>	

Y = Inspected / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

The Heintzelman Project was inspected by Rob Zuber and Michael Cunningham with the Division of Reclamation, Mining and Safety (Division) as part of the Division's monitoring inspection program. The site was previously inspected by the Division in November 2018. Garrett Varra and Brad Janes with Varra Companies, Inc. were present during the inspection.

The site is permitted for 155.23 acres with a maximum allowed disturbance acreage of 80 acres at one time. The site is fenced on all sides and is generally delineated by WCR 17 to the west, WCR 26 to the south and WCR 28 to the north. The site is divided into 3 mining areas: Tract A, Tract B and Tract C. The permit was revised by Amendment No. 1 (AM-01) in 2011. The amendment added 1.58 acres for a conveyor route to the Kurtz Project. The conveyor route was constructed in 2012 and was operational during the inspection. No other mining activity was observed during the inspection.

Piles of soil and compost were seen on site. Mr. Varra indicated that these will be spread on the site or removed by Raptor Materials. He indicated that the old equipment on site will be removed. He also indicated that weeds on site, including Russian olive and thistle, will be addressed in the near future.

The primary reason for this inspection was AR-01. This application for a reduction in acreage from the permit was received by the Division on March 13 and found complete by the Division on March 22, 2023. This application seeks to remove 1.95 acres from the permit. The application indicated that the area in question has not been disturbed by mining activity. However, during the inspection, it was determined that Varra Companies did grade this area. Therefore, another application (a technical revision) will be needed to update the mining and reclamation plans before AR-01 can be approved.

In addition to an inspection for AR-01, the Division also observed the conditions of the rest of the permit area, and the observations related to that effort are presented below, by tract.

Tract A: Mining excavation in the tract has been completed, and pit slopes have been backfilled and sealed with a clay liner. The Operator should submit to the Division any documentation related to leak testing of the liner (from the State Engineer's Office) that has not already been submitted. The regraded slopes were stable and no erosion features were observed during the inspection, however the vegetation cover is poor. Because Kerr-McGee and Anadarko gas well and lines located in this tract were removed and relocated, and a peninsula in the tract was mined through, the Division requires that the Operator revise the approved Mining and Reclamation Plans to accurately show these features on maps. This should be done with a technical revision.

Tract B: The mining excavation in the tract is complete, and the pit has been filled with sand from Tract C to eliminate long-term groundwater exposure. The area that was once a settling pond (northeast portion of Tract B) has been filled with sediment; only a small area of detained water remains from recent rain. The Division requires that the Operator revise the approved Mining and Reclamation Plans to reflect that the tract has been backfilled and no lined reservoir will be constructed in the tract. This should be done with a technical revision.

Tract C: The majority of the tract was bare of vegetation. The Operator does not intend to mine gravel from

the tract. The Division requires that the Operator revise the approved Mining and Reclamation Plans to reflect the current plan for this tract. This should be done with a technical revision.

Financial Warranty: The Division currently holds a financial warranty in the amount of \$425,000. The required financial warranty was last calculated by the Division in November 2018. The Division will recalculate this value after the technical revision(s) noted above are submitted. (It is preferable that all changes to the three tracts be compiled in one revision.)

PHOTOGRAPHS



Main portion of AR-01 area



Former settling pond



Reservoir in Tract A



West side of permit boundary, looking south along conveyor

Inspection Contact Address

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