




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: Whitewater Pit 500	MINE/PROSPECTING ID#: M-1977-129	MINERAL: Sand and gravel	COUNTY: Mesa
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: May 9, 2023	INSP. TIME: 10:00
OPERATOR: Whitewater Building Materials Corporation	OPERATOR REPRESENTATIVE: Mark Gardner	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$287,500.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Amy Yeldell	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: May 25, 2023	

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>Y</u>	(BG) BACKFILL & GRADING----- <u>PB</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>NA</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>PB</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>PB</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</u>	(OD) OFF-SITE DAMAGE----- <u>NA</u>	

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

The following inspection topic(s) were identified as having a **Problem (PB)**, which includes correction actions and a deadline whereby the Operator must demonstrate compliance with the conditions of the Permit and the requirements of the Act and Rules. Failure to address the corrective actions by the deadline may cause the Division to escalate the **Problem to a Possible Violation (PV)** and schedule the issue for formal hearing before the Mined Land Reclamation Board (Board).

INSPECTION TOPIC: Backfilling & Grading

PROBLEM: The current Mine Plan (revised under TR-5) commits to no more than 1,500 LF of backfilled/unfinished slopes at any given time. More than 1,500 LF of slopes were observed on site. This is cited as a problem for failure to comply with the general requirements of approved Mining Plan. The current mine plan needs to be updated and clarified pursuant to C.R.S. 34-32.5-112 (1)(c)(VI). The operator must provide sufficient information to describe or identify how the operator intends to conduct the operation.

CORRECTIVE ACTIONS: The operator shall submit a Technical Revision, with the required \$216 revision fee, to update and clarify the current approved mine plan to reflect existing and proposed activities by the corrective action date.

CORRECTIVE ACTION DUE DATE: 7/24/23

INSPECTION TOPIC: Gen. Compliance With Mine Plan

PROBLEM: The permitted area is 491.7 acres, with a maximum disturbance of 50 acres per the Mining Plan. Based on the 2023 annual report and site inspection, significantly more land has been affected beyond the 50 acre maximum per the approved Permit. The current mine plan needs to be updated and clarified pursuant to C.R.S. 34-32.5-112 (1)(c)(VI). The operator must provide sufficient information to describe or identify how the operator intends to conduct the operation.

CORRECTIVE ACTIONS: The operator shall submit a Technical Revision, with the required \$216 revision fee, to update and clarify the current approved mine plan to reflect existing and proposed activities by the corrective action date.

CORRECTIVE ACTION DUE DATE: 7/24/23

INSPECTION TOPIC: Revegetation

PROBLEM: State-listed noxious weeds are threatening the continued development of desirable vegetation. This is a problem for failure to employ weed control methods for state listed noxious weed species within the permitted area, and to reduce the spread of weeds to nearby areas as required by Section 3.1.10 (6) of the rule.

CORRECTIVE ACTIONS: The current weed control plan is inadequate. The operator shall update their weed control and management plan in accordance with Section 3.1.10 (6) of the Rule. This plan should be developed in consultation with the county extension agency, or weed control district office and should include specific control measures to be applied, a schedule for when control measures will be applied and a post-treatment monitoring plan. This weed control plan shall be submitted to the Division as a Technical Revision to the approved plan with the appropriate Technical Revision fee of \$216.00 by the corrective action date. Additionally the Operator needs to provide photo documentation that a spring treatment of noxious weed has occurred.

CORRECTIVE ACTION DUE DATE: 7/24/23

INSPECTION TOPIC: Revegetation

PROBLEM: Problem: Failure to follow approved reclamation plan, or current reclamation plan needs to be updated and clarified pursuant to C.R.S. 34-32.5-116 (1). The operator must follow approved reclamation plan or provide sufficient information to describe or identify how the operator intends to conduct reclamation.

CORRECTIVE ACTIONS: The operator shall submit a Technical Revision, with the required \$216 revision fee, to update and clarify the current approved reclamation plan to reflect existing and proposed activities by the corrective action date. Additionally provide an updated Exhibit L (reclamation costs) to support the changes.

CORRECTIVE ACTION DUE DATE: 7/24/23

OBSERVATIONS

This inspection was conducted as part of the Colorado Division of Reclamation, Mining and Safety (Division) normal monitoring program. The Whitewater Pit 500 is a 112c permitted site that includes a total of 491.7 permitted acres with a 50 acre maximum disturbance. The site located one mile northwest of Whitewater, Colorado and is accessed from Coffman Road. Mark Gardner of Whitewater Building Materials Corporation represented the operator and accompanied Amy Yeldell of the Division conducted the inspection.

Acid And Toxic Materials:

Within Stage W there is an empty fuel tank in secondary containment near shop and a waste oil tank attached to shop in secondary containment. No other fuel or hazardous materials area stored within the permit boundary.

Backfilling and Grading:

Concrete and other inert materials are being imported for structural backfill.

Stage 6, little to no mining excavations have taken place. Only grading/flattening of stockpiles is required in this phase (Photo One). Given its use for stockpile storage the area will also require ripping prior to topsoil application and revegetation.

Stage 3 Part B (3N) is mined to a depth of 20 feet (Photos Two and Three). The pit floor has been partially backfilled in areas. A portion of the southern highwall along the railroad tracks has been sufficiently graded to a 3H: 1V or less, approximately 500 LF. The southwestern highwall adjacent to the railroad track is approximately 1H: 1V slope (approx. 400LF) and will require backfill. The western highwall is 2H: 1V and will be mined through as the operation progresses to the west. This highwall can be cut/fill, approx. 1,500 LF, averaging 20 ft. high.

Stage 4 Part B (4N) nearly the entire phase is stripped. Mining is occurring to a depth of 20 feet within this phase (Photos Four, Five and Six). The southwestern half is completely mined. A portion of the highwall along the railroad tracks has been regraded to a 3H: 1V slope and still require topsoil and revegetation (approx. 400 LF). The more central and easterly highwalls along the railroad tracks are at 1H: 1V and will require backfill (approx. 1,200 LF). Active mining slopes within the pit along the east and north are at 2H: 1V and can be sloped using cut/fill.

Stage 4 Part A (4S) the majority of the pit is properly sloped to a 3H: 1V or less. Minor repairs are necessary

where water infiltrating from the river has caused sluffing or settling (Photo Seven). A small portion (approx. 1,100 LF) in the northwest corner requires additional grading. This area is currently at a 1H: 1V slope (Photo Eight).

The current Mine Plan (revised under TR-5) commits to no more than 1,500 LF of backfilled/unfinished slopes at any given time. More than 1,500 LF of slopes were observed on site. This is cited as a problem for failure to comply with the general requirements of approved Mining Plan. In the form of a Technical Revision, please revise the Mining Plan to reflect the current operation.

Explosives:

Explosives are not used at this site.

Financial Warranty:

The Division currently requires a financial warranty amount of \$287,500 for this site. The bond was last recalculated with TR-4 in 2009. In an effort to ensure the Financial Warranty adequately reflects the actual current cost of fulfilling the requirements of the approved reclamation plan the Division will be updating the reclamation cost estimate. If the current bond is found to be insufficient the Division will issue a Notice of Surety Increase under a separate cover.

Hydrologic Balance:

The discharge and settling ponds for the processing plant (located outside of the permit boundary) are located in the northern portion of Stage 3 Part A (3N). Ponds appeared to be stable and well vegetated (Photo Nine).

The water table is located approximately 10 feet below the original contour. The active mine areas are dewatered via a series of trenches. Water is then pumped into the Gunnison River.

The Gunnison River is at high water from the winter run off. All pond banks adjacent to the river appeared to be intact at this time. The Operator is encouraged to be diligent in monitoring the banks to ensure sufficient buffer from the river is maintained to avoid pit(s) capture.

Gen. Compliance With Mine Plan:

A large processing stockpile is located partially within Phase 6 on the west side. Just to the south of the stockpile adjacent to the haul road is an area used to land farm material removed from the settling ponds. The area slightly dips towards the south east and is bermed off from the rest of Phase 6. Pits appeared mostly dry at the time of the inspection. The total disturbance of Phase 6 is approximately 9.3 ac (Photo One). The remaining area (approx. 61.3 ac) of Stage 6 is undisturbed and remains in use as an irrigated agricultural fields (Photo Ten).

All of Stage 5 is undisturbed (Photo Ten).

The southern portion of Stage 3 Part A (3N) remains undisturbed and reserved for future mining (Photo Eleven). This area is approximately 7.5 acres. The northern portions which were previously mined are used as a settling pond. No stockpiles are located within this phase.

Stage 3 Part B (3S) is partially mined out (Photos Two, Three and Twelve). Approximately 18 ac out of the total 67 ac phase has been affected to date. The western side of Stage 3 Part B remains unaffected. Imported material is being used as backfill in this stage.

Stage 4 Part B (4N) is also partially mined out (Photos Four, Five and Six). A large stockpile (4 ac) of

overburden is located along the northern edge adjacent to Coffman Road. Additional stockpiles of imported material are being stored on the east side of the phase. A powerline runs through this phase. "Islands" are being maintained around the poles. Eventually the Operator plans to backfill underneath the right of way to provide/maintain access to the powerline.

Stage 4 Part A is separated by the railroad tracks and is accessed through Stage 4 Part B (4N). This pit is completely dewatered and mined out to a depth of 25 feet. Final reclamation work has commenced (Photos Thirteen and Fourteen). Grading and topsoiling is mostly complete. A small section requires grading and topsoiling. Seeding of this phase has yet to occur. The pit will likely be re-inundated in 2024. There is a 100 foot setback from the Gunnison River.

The southern portions of the pit which includes Phase Z, 2W, 2E, and W remain inactive. There is still material available to mine however the operator has chosen to mine reserves closer to its processing plant. Previously mined lakes all appear to have proper sloping and have been revegetated. Disturbed lands with remaining reclamation are approximately 33.9 ac. (Photo Fifteen)

Stage W, the plant site is stabilized with gravel. The metal shop and a few other smaller buildings still remain. Based on the reclamation plan map these features appear to be permanent. Mr. Gardner indicated that the ground beneath the buildings has not yet been mined so the Operator may elect to remove them in order to access additional reserves.

The permitted area is 491.7 acres, with a maximum disturbance of 50 acres per the Mining Plan. Based on the 2023 annual report and site inspection, significantly more land has been affected beyond the 50 acre maximum per the approved Permit. This is cited as an inspection problem. In the form of a Technical Revision, please revise the Mining Plan to reflect the current operation.

Right of Entry:

Division staff verified that Whitewater Building Materials Corporation remains the landowner of all affected lands and therefore is in compliance with Rule 6.3.7 by maintaining its Legal Right of Entry.

Reclamation Success:

Banks around the discharge settling pond located within Stage 3 Part A (3N) appear to be successfully reclaimed however the Operator has elected to leave these items within the permit boundary. No other areas were evaluated for reclamation success during this inspection.

Revegetation:

Within Stage 3 Part B (3S), the regarded slopes have shrubs and other vegetation presentation. No other revegetation has occurred in this Stage. No other areas within Stage 3 Part B (3S) appear to have been reclaimed.

No revegetation has occurred within Stage 4 Part B or Part A.

Within Phase Z, 2W, 2E, and W, portions of the lakes are revegetated, however desirable vegetation is inadequate. Noxious weeds have degraded reclaimed areas. Void or sparse areas could benefit from additional touch up seeding (Photo Sixteen). If areas void of vegetation or sparse in desirable species do not germinate in the next few weeks additional seeding efforts are recommended.

An infestation of knapweed was observed on the southeast finger of the pond in Phase 2W (Photo Seventeen). Noxious weeds in the southern areas need to be more aggressively managed. Site wide the Operator needs to be

diligent in treating of weeds to avoid building up a seed bank on site. Treatment of noxious weeds includes the management and removal of Tamarisk and Russian Olive for those areas reclaimed after 2005. While a Noxious Weed Management Plan was incorporated under TR-3 the plan and its implementation are inadequate. Noxious weeds are threatening the continued development of desirable vegetation, this is a problem pursuant to Rule 3.1.10(6). The Operator needs to provide photo documentation that a spring treatment of noxious weed has occurred. Additionally the Noxious Weed Management Plan needs to be revised to reflect current site conditions.

Under Exhibit L of AM-2 the operator committed to having no more than 30 acres of topsoiling and revegetation required at any given time. Additionally a maximum of 60 acres of lake required to be pumped for reclamation. TR-4 increased the reclamation maximum to 40 acres. These factors significantly impact the maximum liability of a site. The Division estimates that approximately 73.5 ac requires revegetation, 65.23 ac needs topsoiling, and approximately 69.2 ac will need pumped to complete reclamation. The operator is not completing reclamation contemporaneously as required by the approved Reclamation Plan. This is cited as an inspection problem. In the form of a Technical Revision, please revise the Reclamation Plan and Exhibit L to reflect the current operation.

TR-5 provided two different seed mixes, salty and non-salty mix. The revision did not clarify which areas would receive which seed mix. When updating the reclamation plan, please clarify which areas will receive which seed mix.

Support Facilities On-site:

No crushers, screens or other processing equipment are located within the permit boundary. Within Stage W is a metal shop and a few other smaller buildings remain from when the processing equipment was within that Stage

Signs and Markers:

A mine sign was posted at the entrance to the mine site as required by Rule 3.1.12(1). The sign was attached to the permit entrance gate. The information depicted was correct/ up to date and the sign was of sufficient size. The permit boundary of the affected land was clearly delineated fences or other features such as roads and the Colorado River, pursuant to Rule 3.1.12(2).

Support Facilities Not On-site:

The processing plant, primary fuel storage, scale and scale house are stored outside the permit boundary. The majority of stockpiled material is also stored at the processing facility. This area was not inspected.

Topsoil:

Topsoil is located on the north side of the stockpile within Stage 6. The large stockpile in Stage 4 Part B also includes topsoil for the adjacent phases. No topsoil stockpiles are present in the southern mine areas.

Mr. Gardner indicated that they amend the soil at the time of revegetation based on soil sampling results. The approved reclamation plan calls for a minimum of 9" of topsoil to be applied over all areas being revegetated. Even if amendments are added to the topsoil due to its poor quality a minimum depth of vegetative growth material needs to be salvaged and reapplied based on the approved reclamation plan.

Conclusion:

In general the Mining and Reclamation Plans are tailor to a much smaller operation. Corrective actions require update to the Mining and Reclamation Plans to reflect current site conditions. Additional changes beyond the corrective actions may also be requested as a Technical Revision so long as they do not have more than a minor effect upon the approved or proposed Reclamation Plan. Note that several changes may be requested under one

Technical Revision request with the required \$216 revision fee. In updating the Mining and Reclamation Plan, updated to the maps may also be necessary to clarify how the operation will proceed.

Responses to this inspection report should be directed to: Amy Yeldell at the Division of Reclamation, Mining and Safety, Rm 215, 1001 E 62nd Ave, Denver Co 80216. Direct contact can be made by phone at 303-866-3567 Ext 8183 or via email at amy.yeldell@state.co.us

Inspection Contact Address

Mark Gardner
Whitewater Building Materials Corporation
940 S. 10th St.
Grand Junction, CO 81502

Enclosure: 17 Photos

CC:
Travis Marshall, Senior EPS, Grand Junction DRMS

PHOTOGRAPHS















Photo Twelve: Stage 3 Part B, partially reclaimed areas



Photo Thirteen: Stage 4 Part A, overview of partially reclaimed pit





Photo Sixteen: Southern mine. Proper sloping on shores.
Desirable vegetation sparse, lots of weeds

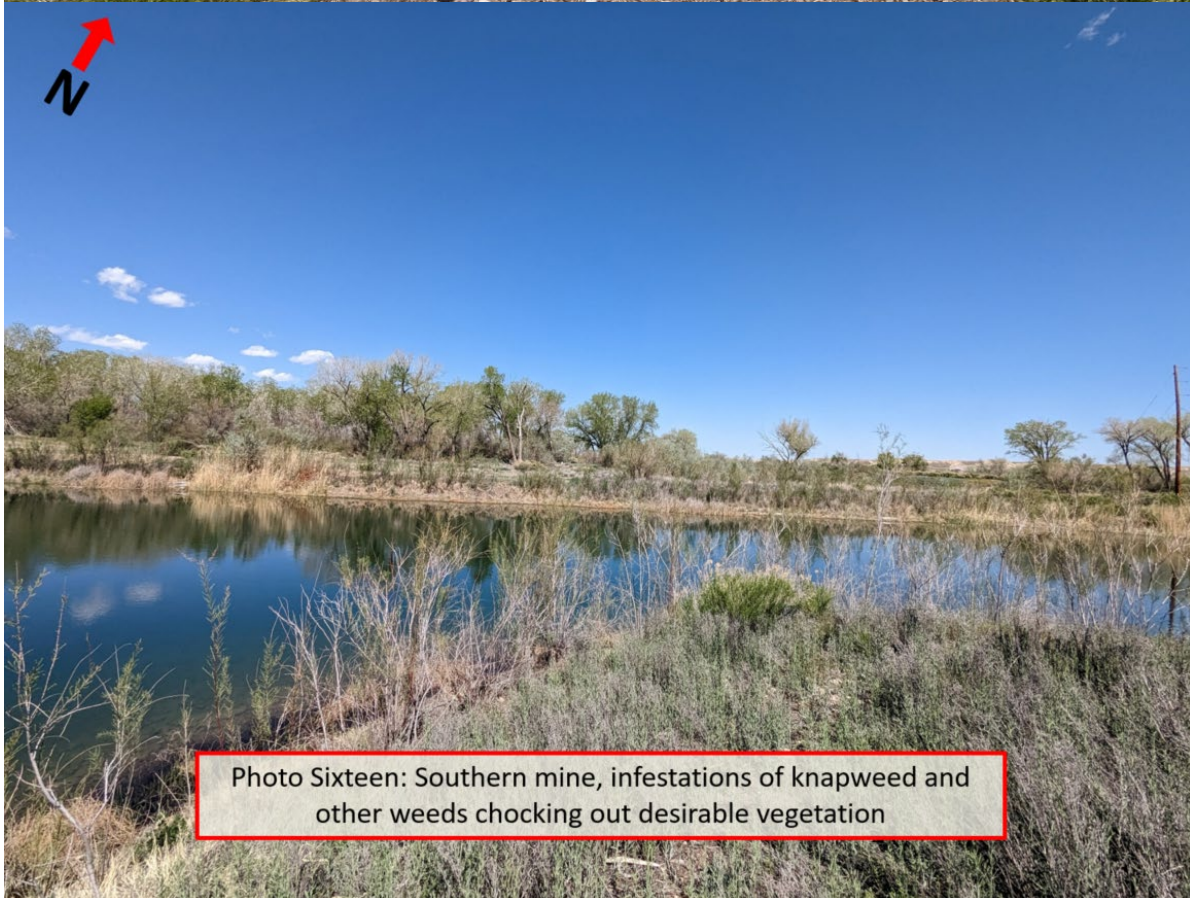


Photo Sixteen: Southern mine, infestations of knapweed and
other weeds choking out desirable vegetation