

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:
Colorado Rose Red Pit	M-1978-332	Granite, granite gneis	Larimer
INSPECTION TYPE:	WEATHER: Clear	INSP. DATE:	INSP. TIME:
Monitoring		June 6, 2023	10:00
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Colorado Rose Red Inc.	Gary Kay, Caleb Liesveld	110c - Construction Limited Impact	
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program	Complete Bond	\$14,800.00	
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGE	NCY:
NA	None	None	
INSPECTOR(S):	INSPECTOR'S SIGNATURE:	SIGNATURE DAT	E:
Patrick Lennberg	Partice Ly	June 8, 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>Y</u>	(RD) ROADS <u>Y</u>
(HB) HYDROLOGIC BALANCE <u>N</u>	(BG) BACKFILL & GRADING <u>Y</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>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 Colorado Rose Red Pit was inspected by Patrick Lennberg with the Division of Reclamation, Mining and Safety (Division/DRMS). The inspection was completed as part of the Division's routine monitoring inspection program. The site was previously inspected by the Division on May 15, 2017 during a routine monitoring inspection. Gary Kay and Caleb Liesveld representing Colorado Rose Red, Inc the Operator/Permittee, accompanied me during the inspection. The weather was clear and mild.

This is a 110c operation permitted for 9.9 acres. The permit is for the mining of dimensional granite for building materials and other uses. The mine is located on property owned by Colorado Rose Red, Inc. The mine is located in Larimer County. The site entrance is located approximately 8 miles west of Lyons, CO off of Hwy 36 in Pinewood Springs. The approved post-mining land use is industrial/commercial. A mine sign was posted at the mine entrance pursuant to Rule 3.1.12.

Earlier this year Gary purchased all interest in Colorado Rose Red, Inc. from Caleb. Gary intends to continue mining the site as it has been in the past. During a recent audit verification of the bond the Division was unable verify that all required funds are current and available. Currently, the Division is waiting for the new Operator to submit documentation or post a new bond for the currently approved amount of \$14,800. Failure to provide the needed documentation or new financial warranty amount may result in the Division pursuing enforcement actions.

In 2017 the permit was amended to expand the approved permit boundary to include a 111 permit, M2013-068, located in the southern portion of the current permit. Rock from this area was used in flood recovery following the 2013 floods. In addition to expanding the permit boundary the amendment clarified the mining and reclamation plans.

The site was not active at the time of inspection. The southern area, where the 111 was located, has not seen any activity for several years. At the northern end of the permit up on the mountain side is the location of most current mining activity. Mining in this area is done in one main underground chamber. The chamber is 10-15 feet in height and approximately 25 feet wide by 50 feet deep. Stone blocks are removed and polished for counter tops and principally monuments. Mining is slow and has not advanced much since the last inspection.

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/Permittee for review under a separate cover letter. Once the surety increase is issued by the Division, the Operator will have 60 days to provide the additional financial warranty.

Photographs taken during the inspection are attached.

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

Gary Kay

Colorado Rose Red Inc. 7201 Worley Dr. Denver, CO 80221

cc: Jared Ebert, DRMS

ec: Gary Kay, Colorado Rose Red, Inc., <u>garykaytile@yahoo.com</u>

PHOTOGRAPHS



Photo 1: Mine sign at entrance



Photo 2: Location of the former 111 permit



Photo 3: The 111 permit area relative to the active mining area, yellow arrow



Photo 4: Entrance to primary mining chamber



Photo 5: End of primary mining chamber



Photo 6: Work area adjacent to primary mine chamber



Photo 7: Tool and storage area



Photo 8: Garage

