

# 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:
Portland Limestone Quarry	M-1977-344	Limestone (general) Fremont, Pueblo
INSPECTION TYPE:	WEATHER: Clear	INSP. DATE: INSP. TIME:
Preoperation Inspection		November 2, 2023   13:00
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:
Holcim (US) Inc.	Mike Toelle	112c - Construction Regular Operation
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:
Preoperation Inspection	None	\$5,268,550.00
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:
NA	None	None
INSPECTOR(S):	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:
Timothy Cazier, P.E.	Thing (IC=	November 3, 2023

#### **GENERÁL 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>N</u>
(HB) HYDROLOGIC BALANCE <u>N</u>	(BG) BACKFILL & GRADING <u>Y</u>	(EX) EXPLOSIVES <u>Y</u>
(PW) PROCESSING WASTE/TAILING N	(SF) PROCESSING FACILITIES $\underline{Y}$	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- N	(FW) FISH & WILDLIFE $\underline{Y}$	(RV) REVEGETATION <u>Y</u>
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN N	(RS) RECL PLAN/COMP N
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION $\underline{Y}$	(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**

This inspection was conducted by Tim Cazier as part of both an acreage reduction (AR-2) request for the majority of the Plant site, and a pre-operation inspection for the expansion to the Red Creek Quarry (amendment AM-2). The Permittee (Holcim) was represented by Mr. Mike Toelle during the inspection. The Portland Limestone Quarry is accessed from State Hwy 120 approximately 5 miles east of Florence.

The current permitted site name is "Portland Limestone Quarry". The AM-2 application form proposes to change the name to "Red Creek Quarry aka Bear Creek Quarry" as the majority of the Portland Cement Plant has been requested to be released from the permit (AR-2). We discussed the possibility of shortening the revised permit site name. Mr. Tolle was open to the idea of a shorter name. The Bear Creek Quarry (BCQ) is the current source of limestone for the cement plant and was not visited as part of this inspection. The BCQ was last inspected on July 19, 2022.

Part one of this inspection focused on the requested release of the majority of the cement plant. In discussions between Holcim and the Division leading up to the release request, and based on letters and inspection reports generated by the Division in 1999 and 2000 related to the need to include the portions of the plant that generate cement kiln dust (CKD); it was agreed that as the plant area is zoned industrial; the cement plant could be released with the exception of CKD collection facilities and the haul truck route to the CKD disposal area near the Bear Creek Quarry. Mr. Toelle explained the AR-2 map was drawn submitted was because Holcim believed the permit was required to be contiguous. I explained that was not a requirement, so the road segment along the railroad tracks between the conveyor from the Bear Creek Quarry and the plant entrance could be removed from the permit, as it is not expected to be part of the haul route to the CKD disposal area. Further discussions on the CKD haul route and a plant site walk-around led to an agreement to further modify the plant area to remain in the Permit by realigning the haul route to a more direct route on primarily paved (concrete) surfaces. I explained the Division's basis for the haul route to be in the permit area /affected area boundary was to inspect the route for potential CKD spills. A direct, paved route would facilitate such inspections. Mr. Toelle agreed to revising the AR-2 map and updating the areas not to be removed from the permit on the Acreage Reduction form and resubmitting those documents next week. Photo 1 shows the Scrubber on the south side of the plant that will remain in the permit. Photo 2 shows the proposed revised haul route under plant infrastructure (just east of the Raw Meal Silo) to the Plant entrance. Photo 3 shows the Cement Mill Dust Collector on the north side of the plant where material is also loaded into trucks for transport to the CKD disposal area.

Part two of this inspection proceeded as a pre-operation inspection of the Red Creek Quarry expansion (AM-2). In office discussions prior to visiting the proposed Red Creek Quarry (RCQ) area focused on where the permit/affected area boundary for the proposed conveyor would terminate. Mr. Toelle and I agreed the boundary could end at the edge of the boundary zoned by Fremont County as industrial. However, that boundary would need to be shown on Exhibit C and F maps.

We drove to the RCQ area along the Minequa Canal access road as no roads yet exist along the proposed conveyor alignment. **Photo 4** shows a typical section of the canal, but not the precise location where the conveyor is proposed to cross the canal.

The RCQ is proposed for Sections 24 and 25 (Township 20S, Range 68W) in Fremont County and Sections 19, 20, 29 and 30 (Township 20S, Range 67W) in Pueblo County. The initial phase will be on the west side of Red Creek in Fremont County. There is a current permitted mine: Ranch Land Rock Pit #1 (M-2002-096) in Section 24. It is currently in temporary cessation. Holcim is the permittee for this site. **Photo 5** shows the excavated area.

Limestone has been stockpiled (**Photo 6**) south of the current pit. Mr. Toelle indicated it is considered product. **Photo 7** shows the typical undisturbed area in Pueblo County. **Photo 8** shows the existing access road off Hwy 96. Mr. Toelle confirmed this road would be improved.

<u>Availability of Records:</u> Annual reports are current, having been filed through last month. The previous inspection was on November 15, 2022. The approved post-mine land use is rangeland for the Bear Creek Quarry and the same is proposed for the Red Creek Quarry expansion (AM-2). There are no open infractions. Both the surface and minerals are privately owned.

<u>Backfilling and Grading:</u> Mr. Toelle explained the proposed pit bottom backfill for the proposed Red Creek Quarry will be dependent on the amount of overburden encountered. The priority will be to backfill the benches, then the remaining overburden would be used to raise the pit floor.

<u>Financial Warranty:</u> The bond is being revised as part of the acreage reduction and the proposed expansion. Mr. Toelle confirmed the AM-2 Exhibit L only covers the reclamation costs associated with the proposed expansion. As most of the plant area is to expected to be released, a significant reduction in demolition costs is expected. However, the conveyors from the BCQ to the plant, and the Scrubber and the Cement Mill Dust Collector will still need demolition costs. I informed Mr. Toelle that the <u>AM-2 Exhibit L will also need to include reclamation costs for remaining reclamation tasks at the BCQ and the demolition costs for the few facilities related to the plant.</u>

<u>Fish and Wildlife:</u> No impact to wildlife was observed. Pronghorn are frequently seen along the Minequa Canal and Mr. Toelle stated Holcim is working with Colorado Parks and Wildlife to facilitate both large and small animal crossings along the conveyor alignment.

Right of Entry: Holcim US owns all the property involved in the current and proposed expansion.

<u>Reclamation Success:</u> The basis for acreage reduction is that the Plant is zoned for industrial use and that the plant can be continued to be used after mining is completed, given access to a rail line on site. Mr. Toelle explained other Holcim Plants around the country are being used as cement distribution hubs and grinding facilities, not directly dependent on nearby mines. The Division is inclined to approve the acreage reduction once the updated map and acreages involved are submitted.

Revegetation: No noxious weeds were observed.

Sediment Control: No erosion problems were observed and no BMPs were needed at the time of the inspection.

Signs and Markers: The amendment notice sign was properly posted at the entrance of Hwy 96 (see Photo 9).

<u>Permit Stipulations:</u> I asked Mr. Toelle about how mined material would cross Red Creek from the east side of the expansion area. He stated the specifics are not yet known, but that Holcim has begun the application process with the Army Corps of Engineers to determine what restrictions they might place on disturbances in Red Creek. <u>As this is still in process, the Division may need to include a stipulation in any potential amendment approval for a Red Creek Crossing design.</u>

<u>Structures:</u> No structures not presented in the AM-2 application were observed within 200 feet of the proposed affected area.

<u>Post Inspection Meeting</u>: No problems or possible violations were cited. Items that were discussed as needing additional attention for either AR-2 or AM-2 are <u>underlined in blue text</u> above.

Please contact Tim Cazier (303)328-5229 or email at <u>tim.cazier@state.co.us</u> if you have any questions regarding this report.

#### **PHOTOGRAPHS**



Photo 1. Scrubber to remain in permit (south of Plant, looking north).



Photo 2. Haul truck route under Plant infrastructure.



Photo 3. Cement Mill Dust Collector to remain in permit (north side of Plant).



Photo 4. Typical Minequa Canal (looking west along access road).



Photo 5. Pit area in Ranch Land Rock Pit #1 (M-2002-096, looking north, Red Creek on right).



Photo 6. Stockpiled limestone in Ranch Land Rock Pit #1 (M-2002-096).



Photo 7. Typical undisturbed area in Pueblo County (looking west).



Photo 8. Existing two-track road off Hwy 96 (looking NE).



Photo 9. Amendment 2 notice (on gate off Hwy 96).

PERMIT #: M-1977-344 INSPECTOR'S INITIALS: TC1 INSPECTION DATE: November 2, 2023

## **Inspection Contact Address**

Mike Toelle Holcim (US) Inc. 3500 Highway 120 Florence, CO 81226

ec: DRMS file

Mike Toelle, Holcim