

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: |
|----------------------------------|------------------------|---------------------------------|---------------------------------------|-------------|
| Slab Canyon Quarry | | M-1977-347 | Limestone (general) | Larimer |
| INSPECTION TYPE: | | WEATHER: Clear | INSP. DATE: | INSP. TIME: |
| Surety Release Inspection | | | November 1, 2023 | 10:00 |
| OPERATOR: | | OPERATOR REPRESENTATIVE: | TYPE OF OPERATION: | |
| Holcim (US) Inc. | | Mike Toelle | 112c - Construction Regular Operation | |
| REASON FOR INSPECTION: | | BOND CALCULATION TYPE: | BOND AMOUNT: | |
| Acreage Release Requested (AR1) | | None | \$184,819.00 | |
| DATE OF COMPLAINT: | | POST INSP. CONTACTS: | JOINT INSP. AGENCY: | |
| NA | | None | None | |
| INSPECTOR(S): | INSPECTOR'S SIGNATURE: | | SIGNATURE DATE: | |
| Nikie Gagnon | | | November 27, 2023 | |
| Amy Eschberger Jocelyn Carter | Si | Kie Bagnon | | |
| Jocefyll Callel | | | | |

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>N</u> | (RD) ROADS <u>N</u> |
|--|-------------------------------------|------------------------------|
| (HB) HYDROLOGIC BALANCE <u>N</u> | (BG) BACKFILL & GRADING <u>N</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>N</u> | (FW) FISH & WILDLIFE <u>N</u> | (RV) REVEGETATION <u>Y</u> |
| (SM) SIGNS AND MARKERS <u>N</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>N</u> | (ST) STIPULATIONS <u>N</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 completed as part of an Acreage Release (AR1) request, submitted in accordance with Rule 4.17, received by the Division on September 20, 2023. Nikie Gagnon, Amy Eschberger, and Jocelyn Carter, representing the Division of Reclamation, Mining and Safety (Division) conducted the inspection. Mike Toelle, representing Holcim US Inc. (Operator), accompanied the Division during the inspection.

The Slab Canyon Quarry is a 112c operation permitted for 250 acres with a maximum allowed affected area of 35 acres. The Operator is requesting a release of 215 acres. The original 1977 permit area covered 30 acres. The Division approved an Amendment (AM-1) in 1994 to expand the permit area to 250 acres. The approved mine plan included 5 mining phases; however, mining at the site ceased several years ago, and mining activity only occurred in the Phase 1 mining area. The proposed 215-acre release area remains undisturbed by mining activity. The approved post-mining land use for the site is a combination of rangeland and wildlife habitat.

The Division last inspected the Slab Canyon Quarry on August 31, 2022. At that time, the Division discussed with the Operator the possibility of an Acreage Reduction to release the undisturbed mining phases from the permit area. Of the 250 acres permitted, the Division estimated approximately 35 acres were disturbed in the Phase 1 mining area in the northeastern portion of the permit area. The proposed Acreage Release (AR1) excludes this 35-acre Phase 1 disturbance area. During this inspection, the Division observed and confirmed the 215 acres within the permit area remain undisturbed by mining. The land is well vegetated with native grasses, shrubs, and pine trees.

The Operator continues to monitor reclamation of the 35 acres, particularly on the east facing slopes, on the southeastern edge of the disturbance, where significant reclamation work has occurred over the years. Per the approved reclamation plan, the Operator installed tree pads across the top of the slope to capture and retain stormwater. During this inspection, the Division observed the tree pads and noted the pads are well vegetated with grasses, shrubs, and pine trees. The Division also observed the bottom half of the east-facing slope. Native grasses are growing in the trenches on the reclaimed slope and along the edges of the slope.

Based on observations made during this inspection the request for a release of 215 acres will be approved. Notice of the Division's decision regarding the release request will be sent under a separate cover letter.

This concludes the report. A subset of the photographs taken during inspection are attached. Please contact Nikie Gagnon (303)866-3567 ext. 8126 or email at nikie.gagnon@state.co.us if you have any questions regarding this report.

PHOTOGRAPHS



Photo 1: View looking southeast down an undisturbed valley at the southern end of the permit area.



Photo 2: View looking southwest across undisturbed portion of the permit area south and west of the Phase 1 area.



Photo 3: View looking southeast at undisturbed portion of the permit area from the southern edge of the Phase 1 mining area.



Photo 4: Two track road that runs along a ridge in the western portion of the permit area. This road will remain after release.



Photos 5 & 6: Reclaimed slope in the southeastern portion of the 35-acre disturbance area. Native grasses and shrubs noted growing in the trenches and along the edges, gradually filling in the disturbed slope. Arrow points to tree islands at the top of the slope.



PERMIT #: M-1977-347 INSPECTOR'S INITIALS: NCG INSPECTION DATE: November 1, 2023

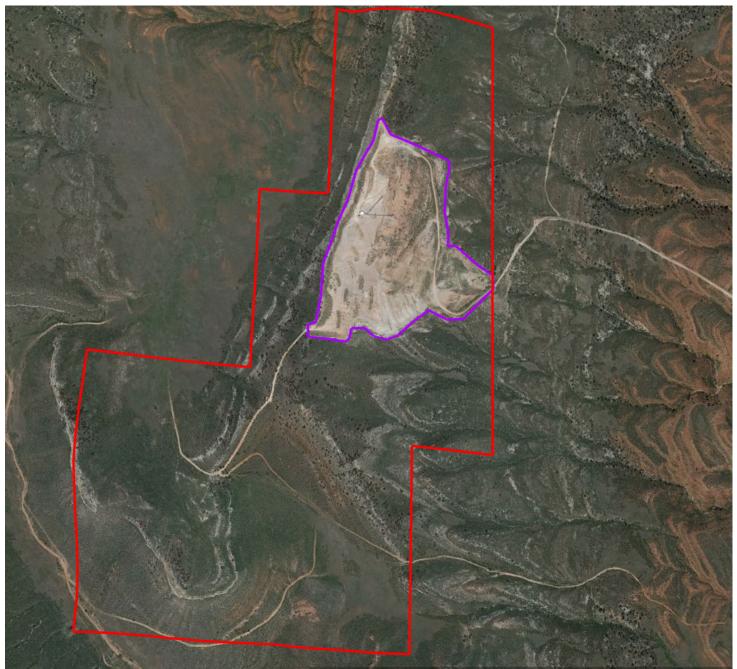


Figure 1: Google Earth image dated June 11, 2021. Red boundary line shows the 1994 Amendment 1 250-acre permit area. The purple line shows the 35-acre Phase 1 mining disturbance area that will remain in the permit after this release.

Inspection Contact Address

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

Enclosure

CC: Amy Eschberger, DRMS