



COLORADO
Division of Reclamation,
Mining and Safety
Department of Natural Resources

February 26, 2024

Chris Adrian
IHC Scott, Inc
10303 E Dry Creek Rd, #300
Englewood, CO 80112

RE: Piceance Pit, Permit No. M-2001-077, Unresolved Problem(s) Noted in a Past Inspection Report

Dear Mr. Adrian:

According to records kept by the Division of Reclamation, Mining and Safety, some problem(s) noted in a past mine site inspection report have not been corrected. If the problem(s) have already been corrected, documentation of the corrective actions taken to correct the problem(s) must be submitted to our office.

Please see the enclosed inspection report for the above noted mine site, issued as a result of a past inspection of this site. Problems noted in this report that remain unresolved according to our records, have been highlighted.

To avoid potential future enforcement actions for non-compliance with State Statutes, Rules and Regulations, and/or conditions specified in your permit for this site, you must submit compliance documentation with the corrective actions by **Friday, March 15, 2024**.

If you require additional information, or have questions or concerns, please feel free to contact me.

Sincerely,

Amy Yeldell
Environmental Protection Specialist

Enclosures: DRMS Inspection Report from November 30, 2023


EC: Travis Marshall, Senior EPS, DRMS
Chris Hurley, Counsel for IHC Scott





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: Piceance Pit	MINE/PROSPECTING ID#: M-2001-077	MINERAL: Sand and gravel	COUNTY: Rio Blanco
INSPECTION TYPE: Monitoring	WEATHER: Snowing	INSP. DATE: November 30, 2023	INSP. TIME: 09:55
OPERATOR: IHC Scott, Inc.	OPERATOR REPRESENTATIVE: Chris Adrian	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$40,408.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: DRMS	JOINT INSP. AGENCY: None	
INSPECTOR(S): Amy Yeldell	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: December 12, 2023	

GENERAL INSPECTION TOPICS

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).

(AR) RECORDS----- <u>PB</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>NA</u>
(SM) SIGNS AND MARKERS----- <u>PB</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>NA</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>NA</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>Y</u>	

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

CORRECTIVE ACTION(S)

INSPECTION TOPIC: Availability Of Records

PROBLEM: The Division was notified that as of October 1, 2023, IHC Scott will become the Great Plains Division of WW Clyde. To date the Division has not yet received the Request for Transfer of Construction Material Permit and Succession of Operators. This is cited as a problem pursuant to Rule 1.16(3). Under Rule the Operator has 30 days to revise the performance warranty and financial warranty documents and complete the Succession of Operators forms.

CORRECTIVE ACTIONS: Please submit the Succession of Operators forms which include a replacement financial warranty and performance warranty by the corrective action date.

CORRECTIVE ACTION DUE DATE: 1/31/24

INSPECTION TOPIC: Signs & Markers

PROBLEM: The mine identification sign posted at the entrance of the mine site did not meet the requirements of Rule 3.1.12(1) of the rule. The Operator shall, at the entrance of the mine site post a sign, which shall be clearly visible from the access road, with a minimum size equaling one hundred and eighty-seven (187) square inches, such as eleven (11) inches in height and seventeen (17) inches in width, with appropriate font size, with the following: the name of the Operator, a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and the permit number.

CORRECTIVE ACTIONS: The operator shall, at the entrance of the mine site, post a sign which shall be clearly visible from the access road with the following: the name of the operator, a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and the permit number. The operator shall submit photo documentation that a proper sign has been posted by the corrective action date.

CORRECTIVE ACTION DUE DATE: 2/12/24

OBSERVATIONS

This inspection was conducted as part of the Colorado Division of Reclamation, Mining and Safety's (Division) normal monitoring program. The Piceance Pit is a 112c permitted site that consists of 34.13 acres. This site is located approximately twenty miles east of Meeker, CO and is accessed from State Highway 5 (Piceance Creek Rd). Amy Yeldell of the Division conducted the inspection. Chris Adrian represented the Operator.

Availability Of Records:

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Operators forms. Please submit the Succession of Operators forms which include a replacement financial warranty and performance warranty by the corrective action date.

Acid And Toxic Materials:

Fuel is stored on site near the scale house (Photo One). It is properly stored in secondary containment. No other fuels or hazardous materials were observed.

Backfilling and Grading:

The majority of the site has been affected by mining. Only approximately 4.5 acres on the eastern side of the pit has yet to be stripped and mined (Photo Two). The west side of the pit remains a stockpile area and is approx. 5.56 ac (Photo Three). The excavated pit has progressed to the east and is approximately 12 acres (Photos Four and Five). The remaining land is occupied by overburden stockpiles and berms.

Most of the slopes of the northern previously mined slopes are graded to a 3H: 1V or less. The western bank adjacent to the stockpile area has some minor grading left as well as the southern haul road area. Additional highwalls requiring graded are on the east side of the pit. Approximately 300 yards of 15-20'H slope at a 1H: 1V remains on the north side (Photo Six). According to Mr. Adrian this material can be cut/fill. The bench that the wash plant sat on will also need grading. It is appropriately 15'H, 600LF at a 1H:1V and can be cut/fill.

Overburden is stored in a berm along the north of the permit adjacent to the river. An additional small pile is stored in the center of the pit along the south side.

Explosives:

Explosives are not used in conjunction with this mining operation

Financial Warranty:

The Division currently requires a financial warranty amount of \$40,408 for this site. The bond was last recalculated with SO-4 in 2022. 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 send a Notice of Surety Increase under a separate cover.

Hydrologic Balance:

This site is adjacent to the White River. Pumping is required for mining/reclamation otherwise the pit quickly becomes inundated. Pumping has ceased and water in the bottom of the pit is estimated to be 3 ft deep and will continue to rise.

Gen. Compliance With Mine Plan:

The site was active at the time of the inspection though no actual mining was taking place. Crews were working to winterize the site. Significant mining progress has been made over the summer. The excavated pit increased in size since the previous inspection. There are stockpiles of processed material storage on the crusher bench and in the stockpile storage area. All stockpiles appear to be stable.

Off-site Damage:

Per the landowners request excess overburden was transported out of the permit area to be used at a later date. The material is being stored south of the southeast corner of the pit outside of the permit boundary

(Photo Seven). The stockpile occupies approximately one acre. The stockpile is sloped and appears stable. The Division will consider this material 'sold' and may no longer be used for reclamation purposes on site.

Other:

There was approximately 3" of snow cover and heavy fog during the inspection which limited site observations.

Several semi-trailers were neatly stored in the northwest corner of the pit. On the processing pad there were also several jersey barriers from other highway projects being staged.

Right of Entry:

Division staff verified that Flintstone, LLC remains the landowner of all affected lands and therefore the current Legal Right to Enter remains valid and is in compliance with Rule 6.3.7.

Reclamation Success:

The site was not evaluated for reclamation success.

Revegetation:

Given the time of year and snow cover no plant cover could be evaluated. The Division was unable to determine what/if any areas have been reclaimed (seeded) to date. Evaluation of reclamation success and overall revegetation cover will need to happen at a later date.

Support Facilities On-site:

There is a poured cement scale on site near the permit entrance. The scale house is a metal mobile structure. The crusher was recently demobilized for the winter.

Signs and Markers:

A sign was posted at the entrance to the mine however the information on the sign was incorrect (Photo Eight). The sign listed the operation name as the "Flintstone Pit", while it is permitted with DRMS as the "Piceance Pit". Additionally, the Divisions acronym DRMS is mis-spelled. And the wrong permit number is listed, it should be M-2001-077, not M201-007. The sign does not meet the requirements of Rule 3.1.12(1). This is cited as an inspection problem. Please post a new mine sign (or correct the existing) at the permit entrance by the corrective action date. The permit boundary of the affected land was clearly delineated primarily by white PVC markers pursuant to Rule 3.1.12(2).

Topsoil:

Topsoil is stored in a long berm along the north side of the pond. Stability or vegetative cover of the stockpile was not evaluated due to snow cover.

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

PHOTOGRAPHS



Photo 1: Fuel in secondary containment.



Photo 2: Yet to be mined eastern portion of permit



Photo 3: Overview western stockpile staging area



Photo 4: Overview of excavated pit





Inspection Contact Address

Chris Adrian
IHC Scott, Inc.
10303 E. Dry Creek Road., #300
Englewood, CO 80112

CC: Travis Marshall, Senior EPS, Grand Junction DRMS