




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: Collett Property	MINE/PROSPECTING ID#: M-2022-051	MINERAL: Borrow material for co	COUNTY: Rio Blanco
INSPECTION TYPE: Monitoring	WEATHER:	INSP. DATE: March 6, 2024	INSP. TIME: 12:45
OPERATOR: IHC Scott, Inc.	OPERATOR REPRESENTATIVE: Andy Carpenter	TYPE OF OPERATION: 111 - Construction by Government Agency	
REASON FOR INSPECTION: Priority	BOND CALCULATION TYPE: None	BOND AMOUNT: \$72,551.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Amy Yeldell	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: March 6, 2024	

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----- PB	(FN) FINANCIAL WARRANTY----- <u>Y</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>N</u>
(SM) SIGNS AND MARKERS----- <u>N</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>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

CORRECTIVE ACTION(S)

INSPECTION TOPIC: Availability Of Records

PROBLEM/POSSIBLE VIOLATION: Problem: The Division was notified on September 15, 2023, that as of October 1, 2023, IHC Scott will become the Great Plains Division of WW Clyde. To date the permit remains in IHC Scott's name despite that no longer being a valid entity. This is cited as a problem pursuant to Rule 1.16(3). By Rule the Operator has 30 days to revise the performance warranty and financial warranty documents and complete the Succession of Operators forms.

CORRECTIVE ACTIONS: This site is a 111 permit and a Minerals Permit Transfer and Succession of Operators cannot be done. In this case IHC Scott either needs to provide documentation that they are still a valid company and that the financial warranty remains in place. OR WW Clyde may apply for a new 110c reclamation permit over the top of the current 111 permit. Once the new permit is issued, IHC Scott may request release/termination of the original 111 permit since then there will be no lapse in jurisdictional. Note that a permit must remain in place for the life of mine (through completion of reclamation) not just until excavation has concluded. The corrective action is to provide the Division in writing 1) Documentation validating ICH Scott and the current financial warranty OR 2) Submit a new 110c permit application. Corrective action documentation is due Monday April 8, 2024.

CORRECTIVE ACTION DUE DATE: 4/08/24

OBSERVATIONS

This is a records check inspection conducted by the Colorado Division of Reclamation, Mining and Safety's (Division). The Collett Property is a 111 permitted site that consists of 9.07 acres. This site is located approximately seventeen miles north of Rifle, CO on the east side of SH 13. Amy Yeldell of the Division conducted the inspection. The Division did not physically visit the site.

Availability Of Records:

The Division was notified on September 15, 2023, that as of October 1, 2023, IHC Scott will become the Great Plains Division of WW Clyde. To date the permit remains in IHC Scott's name despite that no longer being a valid entity. This is cited as a problem pursuant to Rule 1.16(3). By Rule the Operator has 30 days to revise the performance warranty and financial warranty documents and complete the Succession of Operators forms.

This site is a 111 permit and a Minerals Permit Transfer and Succession of Operators cannot be done. Since 111 permits are tied to a specific government contract and therefore are not transferable.

In this case IHC Scott either needs to provide documentation that they are still a valid company and that the financial warranty remains in place. OR WW Clyde may apply for a new 110c reclamation permit over the top of the current 111 permit. Once the new permit is issued, IHC Scott may request release/termination of the original 111 permit since then there will be no lapse in jurisdictional. Note that a permit must remain in place for the life of mine (through completion of reclamation) not just until excavation has concluded.

The corrective action is to provide the Division in writing 1) Documentation validating ICH Scott and the current financial warranty OR 2) Submit a new 110c permit application. Corrective action documentation is due Monday April 8, 2024.

Financial Warranty:

The Division currently requires a financial warranty amount of \$72,551 for this site. The bond was last recalculated with permit issuance in 2023.

Other:

Pursuant to Rule 1.15(3) The Annual Report for Special 111(1)(a) Operations shall include a statement as to the date the public road construction project has or will terminate. During a phone conversation with Andy Carpenter on March 6, 2024, it was indicated that the project has concluded. This information should be formally conveyed in the next annual report.

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

Andy Carpenter
IHC Scott, Inc.
10303 E. Dry Creek Rd. #300
Englewood, CO 80112

Enclosure: 9-15-2023 Email from IHC Scott

CC:

Travis Marshall, Senior EPS, Grand Junction DRMS
Chris Hurley
Chris Adrian

STATE OF
COLORADO

Yeldell - DNR, Amy <amy.yeldell@state.co.us>

RE: IHC Scott and name change

1 message

Andy Carpenter <acarpenter@ihcscott.com>

Fri, Sep 15, 2023 at 1:36 PM

To: "Zuber - DNR, Rob" <rob.zuber@state.co.us>, "Bowles, Brock" <brock.bowles@state.co.us>, "Yeldell - DNR, Amy" <amy.yeldell@state.co.us>

Rob,

We will change our name beginning October 1. I was informed on Wednesday, so I am a little behind reaching out to folks. I have talked to our environmental team and they are preparing to submit the Succession of Operator applications.

Thank you,



Andy Carpenter, PE
AREA MANAGER, AGGREGATES
C 479-263-0142
WWW.IHCSCOTT.COM



From: Zuber - DNR, Rob <rob.zuber@state.co.us>**Sent:** Friday, September 15, 2023 12:52 PM**To:** Andy Carpenter <acarpenter@ihcscott.com>; Bowles, Brock <brock.bowles@state.co.us>; Yeldell - DNR, Amy <amy.yeldell@state.co.us>**Subject:** IHC Scott and name change

Hello, Mr. Carpenter -

My Division (DRMS) received a letter from WW Clyde indicating that IHC Scott will soon become the Great Plains Division of WW Clyde. Can you tell me the meaning of the word "soon"?

After the change is official, you will need to submit applications for Succession of Operator permitting actions with DRMS for each of your permitted sites and ones that are under review (e.g., the Bernhardt Sand and Gravel Pit). Please see more about this process on our website:

<https://drms.colorado.gov/forms/minerals-program-forms>.

As appropriate, please pass this onto your cohorts who may be involved with other permits with my Division. I have included in this email a couple of my cohorts (Amy Yeldell and Brock Bowles) who permit these sites (Piceance Pit, Rifle

Gravel Pit #1, Collett Property, and W. Max Borrow Pit) and included a screenshot from our permitting system, which may be helpful.

Thank you,

Rob

Rob Zuber, P.E.

Environmental Protection Specialist

Active Mines Regulatory Program



I am working remotely and can be reached by cell at 720.601.2276.

Physical Address:

1313 Sherman Street, Room 215

Denver, CO 80203

Mailing Address:

Division of Reclamation, Mining and Safety, Room 215

1001 East 62nd Avenue

Denver, CO 80216

rob.zuber@state.co.us | <http://drms.colorado.gov>