

May 29, 2024

Colorado Division of Reclamation and Mining Safety  
Mr. Patrick Lennberg  
1313 Sherman Street, Room 215  
Denver, CO 80203

**RE: Response to Preliminary Adequacy Comments, Section 20 Mine (M-2022-001), TR-1  
Withdrawal of TR-1 in part**

Dear Mr. Lennberg:

This letter is the response of applicant Red Tiera Equities, LLC, to the Division's May 3 letter concerning preliminary adequacy review of TR-1 at the Section 20 Gravel Mine (M 2022 001). The applicant appreciates the Division's thorough review, and provides responsive information below for each point in the Division's letter.

As an initial matter, the applicant withdraws one of the two TR-1 components. Based on comments regarding groundwater quality monitoring, no change will be proposed at this time regarding Groundwater Monitoring and Mitigation Plan aspects of the M-2022-001 permit. The monitoring data and proposal for setting baseline standards will be submitted under a separate Technical Revision at a later date. Accordingly, the scope of the Technical Revision is now limited to phased bonding, and we therefore request extension (or, alternatively, the commencement of a new review) for a 30-day period as of the Division's receipt of this response.

Responses to the Division's individual comments are as follows.

1. The Division would like to clarify the following. While the permit application was approved on March 9, 2023, the applicant did not provide the required financial warranty resulting in the permit not being issued until April 10, 2024.

**The Division's records will be authoritative regarding Decision Date and Date of Permit Issuance. The noted delay was due to ongoing efforts to obtain local permitting and to coordinate shut down of the 111 permit with Jalisco and various 112 permit lease, start up and production activities with Brannan Sand and Gravel.**

2. On the cover page it is stated that the Weld County Use by Special Review permit will not be completed this year. However, in the last paragraph of the second page it states the Weld County Use by Special Review (USR) will not be approved until Spring 2024. Please clarify. Also note the dates are further muddled because the date on the letter is from November 2023 and the TR is being submitted in 2024.

**Diligence regarding options to extend the issuance deadline, modify the permit, or submit alternative forms of financial warranty, among other options, delayed the applicant's submittal of the TR beyond original expectations. This delay produced apparent discrepancies in noted dates, though these are substantially immaterial. The Weld County USR remains in process. As with any local zoning permit process, and particularly with recent changes in Weld County staffing including retirement of the case planner, the applicant cannot guarantee any particular timing for final local approval.**

3. Has the Section 20 Gravel Mine received an approved USR for mining at the site from Weld County? If so, please provide a letter from Weld County indicating its approval.

**Please see above regarding ongoing review by Weld County. It also bears noting that the Division is not responsible for enforcing compliance with local government permit requirements; the Division's statutes identify that this is entirely the operator's responsibility.**

4. Please update the Pre-Mining Plan Map (Exhibit C-1) to clearly show the permit boundary of the Section 20 Mine (111) M-2022-004 and other areas that may have changed the topography of the affected land to date within the permit boundary of M-2022-001.

**The Division's request is relevant to the 112 permit (M-2022-001) and this TR to the extent that the 111 operation modified the site in a way that changes mining technique, reclamation slopes, or produces some other quantifiable impact on bonding. Such an impact is not readily apparent in this case, as removal of fill materials for the 111 government contract essentially pre-stripped a small amount of the site of overburden. However, the Pre-Mining Plan Map will be modified as requested in the interest of consolidating all current and future Reclamation Permit issues under M-2022-001 and facilitating the immediate release of any remaining M-2022-004 liabilities.**

5. The Mining Plan states that the initial phase of mining will be accessed off of WCR 44. The map provided has two access points labeled but it appears the access point off of WCR 27 is going to be used. Please clarify how the site will be access for the initial phase of mining and update the map accordingly. The Division notes M-2022-004 accesses the site from WCR 44.

**No change to site access is proposed by the present TR. Multiple points of access are contemplated and accommodated by the Division's rules, and the two points of access described in M-2022-001 materials may be used in the operation. Specifically, initial mining may utilize the WCR 44 access, subject to approval by Weld County in conjunction with the USR process. Currently, the primary access for M-2022-001 and the related USR is to SH 60 (denoted WCR 27 in the Division's comment above); CDOT is currently review a traffic study and will review and approve construction plans for recommended road improvements prior to utilization.**

6. The current baseline groundwater monitoring plan is not adequate to demonstrate that existing and reasonably potential future uses of groundwater are protected pursuant to Rule 3.1.7(8) and no unauthorized release of pollutants to groundwater shall occur from any materials mined, handled or disposed of within the permit area pursuant to Rule 3.1.5(11). There are 7 monitoring wells located around the permit boundary that are used to monitor groundwater levels. The Operator needs to expand groundwater quality monitoring to include additional monitoring wells, around the permit boundary, that demonstrate compliance with the aforementioned rules. The Site Groundwater Monitoring Plan shall be updated following the Division's Groundwater Monitoring: Sampling and Analysis Plan Guidance Construction Materials and Hard Rock Sites (2023) attached to this letter. Samples collected shall be analyzed for the constituents listed in Appendix A of the attachment.

**Red Tierra will submit a separate Technical Revision discussing the results of the baseline groundwater monitoring and setting Site specific groundwater standards at which point at which point this comment will be addressed.**

7. Please include in the updated baseline groundwater monitoring plan, pursuant to Rule 3.1.7(7)(b)(iv), a description of the quality control and quality assurance methods (e.g. duplicate samples, rinsate samples) to be used during quarterly sampling.

**Not addressed.**

8. Please commit to providing the quarterly groundwater monitoring results along with the monthly groundwater level measurements by the following deadlines:

- First quarter report due by May 1st of every year.
- Second quarter report due by August 1st of every year.
- Third quarter report due by November 1st of every year.
- Fourth quarter report due by February 1st of the following year.

At the end of five (5) consecutive quarters of baseline monitoring the Operator may submit a Technical Revision to reduce the analyte list and frequency of monitoring with sufficient justification.

**Not addressed.**

9. Please commit to providing the Division a written report within five (5) working days when there is evidence of groundwater discharges exceeding applicable groundwater standards or permit conditions imposed to protect groundwater quality, in accordance with Rule 3.1.7(9). Please be advised, this notice requirement would apply to any exceedance of the groundwater monitoring standards set for monitoring wells. However, enforcement actions would only be pursued for exceedances at the approved point of compliance well.

**Not addressed.**

10. Please commit to establishing a point(s) of compliance following five (5) quarters of baseline monitoring in accordance with Rule 3.1.7(6).

**Not addressed.**

11. The mitigation triggers for groundwater level is specific to two monitoring wells MW-5 and 6. The Division requests trigger levels be set for all monitoring wells at the Site.

**Not addressed.**

12. Please provide a graph of groundwater levels collected to date from all site monitoring wells.

**A graph incorporating monitoring well levels will be included with the Technical Revision noted above.**

13. In the Exhibit L Table, the 6-inch topsoil volume to be spread appears to account for 8.1 acres, not 9 acres that will be seeded and mulched. Shouldn't these two areas be the same?

**The 9-acre number is overinclusive, accounting for certain areas adjacent to active disturbance during mining, for which no supplementary topsoil is necessary but for which revegetation may be appropriate. The Division may default to 8.1 acres for both numbers to strictly account for disturbed area. Exhibit L has been updated to**

14. The Figure provided indicates only 8 acres are to be backfilled, seeded and mulched. Please update the Figure to be consistent with the Table.

**Figure 1, included with TR-1, shows a cross-hatched area to be spread with topsoil, seeded and mulched. This cross-hatched area includes a label with volumetric information consistent with the submitted Exhibit L Table. No information on surface area quantity of the cross-hatched area is included. An updated Figure 1 providing a label consistent with the Table will be included with revised TR materials. It is assumed that topsoil application is the usage of "backfilling" in this particular comment by the Division.**

We appreciate your review. Should you have any questions, please contact us.

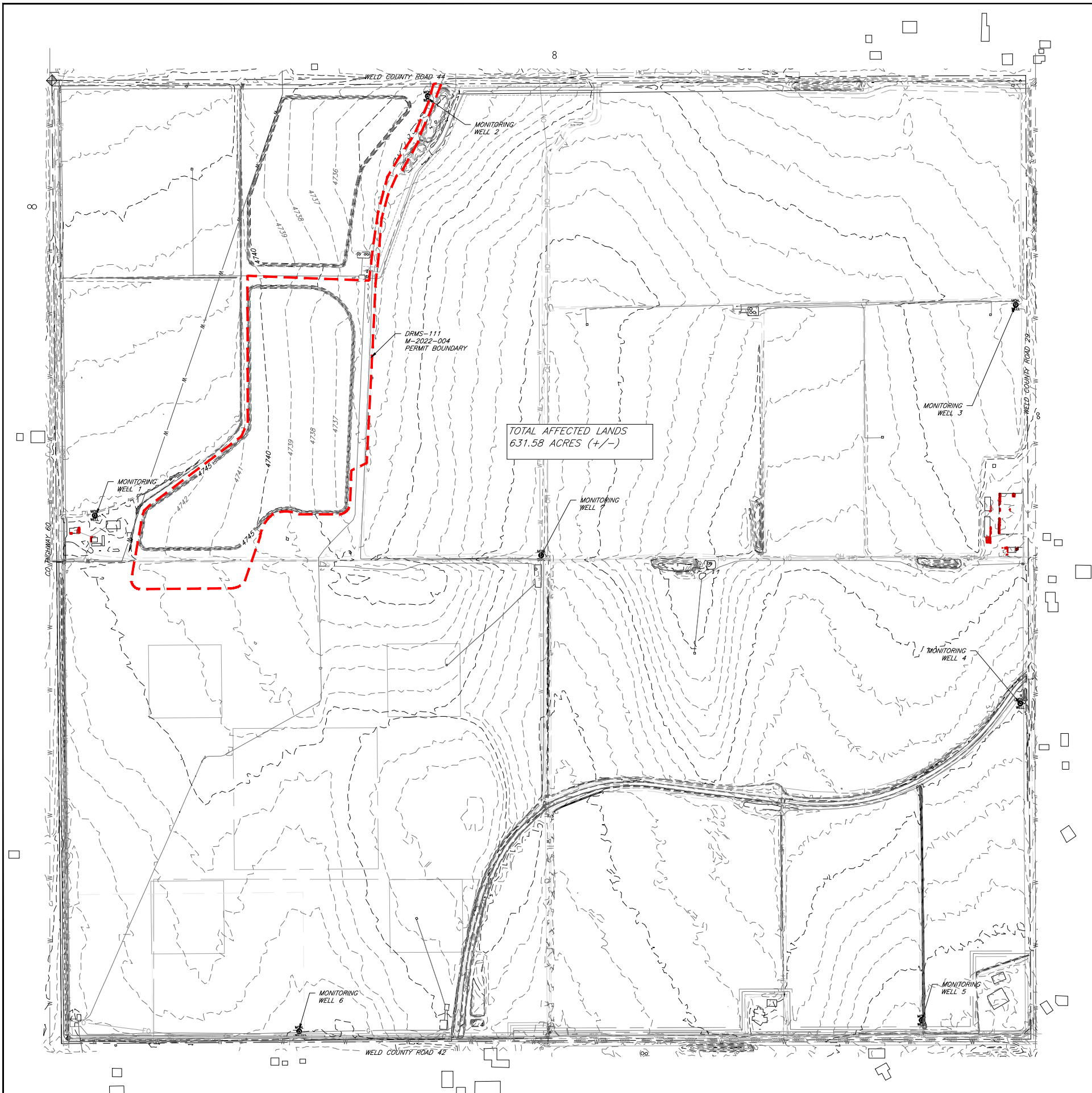
Sincerely,  
CIVIL RESOURCES, LLC



Cc: Drew Damiano

*Attachments:*  
*Updated Exhibit C-1*  
*Figure 2 – Proposed Reclamation*  
*Updated Exhibit L*

J:\United Water & San - 141\Section 20\Drawings\Sheets\Preming Map.dwg, EX-C-1, 5/8/2024 9:55:06 AM



- LEGEND
- PLUGGED AND ABANDONED OIL/GAS WELL
  - PRODUCING OIL/GAS WELL
  - PERMIT BOUNDARY

NOTES

1. THIS MAP HAS BEEN PREPARED TO SATISFY RULE 6.4.3 EXHIBIT C SUBSECTIONS C, D, AND E
2. TYPE OF VEGETATION IS FLOOD IRRIGATED CROPS OF CORN, WHEAT AND ASSORTED VEGETABLES, AND AREAS OF FALLOW AND UNVEGETATED GROUND (YARD AREAS, OIL AND GAS PADS).



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SECTION 20  
DRMS 112 RECLAMATION PERMIT  
GILCREST, COLORADO

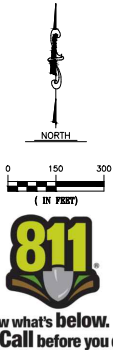
REVISIONS		
NO.	DESCRIPTION	DATE

DESIGNED BY: BLH DATE: 9/13/2021  
DRAWN BY: KR SCALE: AS NOTED  
CHECKED BY: BLH AS NOTED  
JOB NO.: 303.001.04  
DWG NAME: GILCREST-AREA-GEOLOGY.DWG

PRE-MINING  
MAP

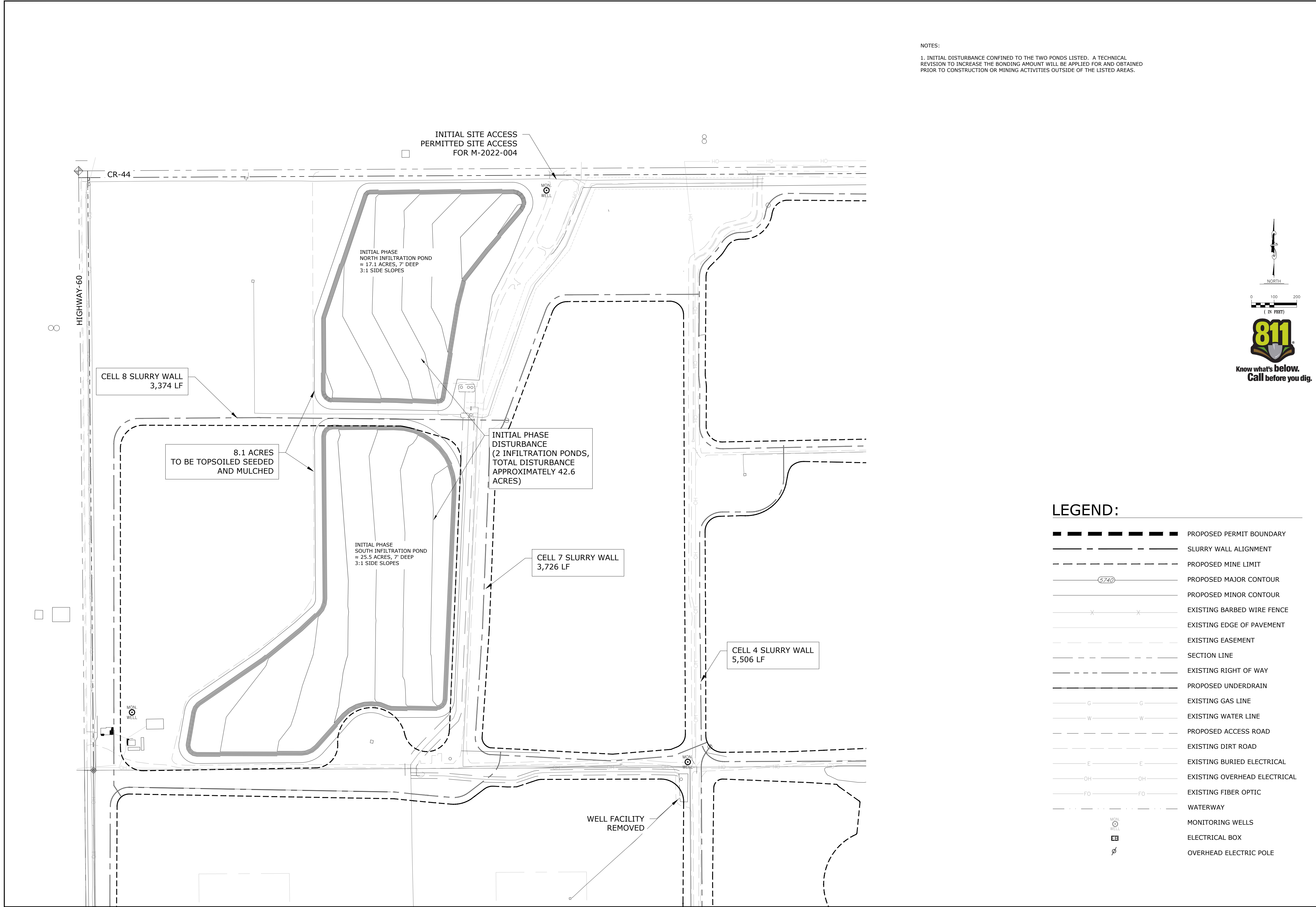
SHEET:

EXHIBIT C-1





J:\Initial Phase & Plan - 11/8/2023\2023\001\DWG\GILCREST-AREA-GEOLOGY.DWG, 11/15/2023 10:00:00 AM, 11/15/2023 10:00:00 AM, 11/15/2023 10:00:00 AM



**CIVIL RESOURCES**

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CONTACT: DREW DAMIANO

SECTION 20  
DRMS 112 RECLAMATION PERMIT  
GILCREST, COLORADO

REVISIONS		
NO.	DESCRIPTION	DATE

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INITIAL PHASE  
MINE AREAS

SHEET:  
**FIGURE 1**

**EXHIBIT L - RECLAMATION COST (Section 20 Initial Phase)**

Activity	Quantity	Units	Unit Costs	Cost
<b>A. Area Surrounding Lined Reservoirs (Equipment: Dozers, Scrapers, Water truck)</b>				
1 Scariffy Ground	43	Acres	\$ 150.00	\$ 6,390.00
2 Spread 6" topsoil (Disturbed areas outside of ponds and slopes)	6,541	CY	\$ 1.50	\$ 9,811.50
3 Seed and Mulch (Disturbed areas outside of ponds and slopes)	8.1	Acres	\$ 900.00	\$ 7,290.00
			Subtotal	\$ 23,491.50
<b>Total Disturbance Costs</b>				<b>\$ 23,491.50</b>
<b>Indirect Costs</b>				
<b>Overhead &amp; Profit</b>				
Performance Bond (2.02%) - Based on DRMS estimate			\$	474.53
Performance Bond (3.07%) - Based on DRMS estimate			\$	246.66
Job Superintendent (240 hours @ \$75/hr) - Based on DRMS estimate			\$	18,000.00
Contractor Mob and DeMob (3%) - Based on DRMS estimate not including slurry wall			\$	704.75
Contractor Overhead and Profit (10%) - Based on DRMS estimate not including slurry wall			\$	2,349.15
			Subtotal	\$ 21,775.08
<b>Contract Amount (direct + O &amp; P)</b>				<b>\$ 45,266.58</b>
<b>Legal, Engineering &amp; Project Management</b>				
Financial warranty processing (legal/related costs) (\$500)			\$	500.00
Engineering Work and/or contract/bid preparation (4.25%)			\$	1,923.83
Reclamation management and/or administration (5%) - Based on DRMS estimate			\$	2,263.33
Contingency (3%)			\$	704.75
			Subtotal	\$ 5,391.90
<b>Total Indirect Costs</b>				<b>\$ 27,166.99</b>
<b>Total Bond Amount</b>				<b>\$ 50,658</b>