

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: Meadow Hollow Quarry	MINE/PROSPECTING ID#: M-2009-006	MINERAL: Sandstone (silica, stone,	COUNTY: Larimer
		quartzite)	
INSPECTION TYPE:	WEATHER:	INSP. DATE:	INSP. TIME:
Monitoring	Clear	December 27, 2024	09:30
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Colorado Quarry I, LLC	Bret Lundwick & Jay Panzarella	110c - Construction Limited Impact	

REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:
Normal I&E Program	None	\$29,723.00
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:
NA	None	None
INSPECTOR(S):	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:
Jocelyn Carter	Jonetto	February 3, 2025

The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.

INSPECTION TOPIC: Off-site Damage

POSSIBLE VIOLATION: Land has been affected outside of the approved permit boundary. This is a possible violation at this time pursuant to: 1.) C.R.S. 34-32.5-109(1) for failure to first obtain from the board or office a reclamation permit prior to engaging in a new operation. AND/OR 2.) C.R.S. 34-32.5-116(4)(i) for failure to protect areas outside of the affected land from slides or damages occurring during the mining operation. **CORRECTIVE ACTIONS:** This possible violation will require a hearing before the Mined Land Reclamation Board (MLRB). The schedule and other details for the MLRB hearing will be provided under a separate document to be sent via certified mail to the operator.

CORRECTIVE ACTION DUE DATE: Tentative MLRB hearing date March 19-20, 2025

INSPECTION TOPIC: Signs & Markers

PROBLEM #1: The mine identification sign was posted at the entrance of the mine site, but did not have full and accurate information. This is a problem for failure to post a mine identification sign as required by Section 3.1.12(1) of the rule. *This problem was originally cited in the Division's December 3, 2024 inspection report.* **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 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, the name of the operation, 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:** February 1, 2025

INSPECTION TOPIC: Right of Entry

PROBLEM #2: Failure to maintain legal right of entry per Rule 6.3.7. *This problem was originally cited in the Division's December 3, 2024 inspection report.*

CORRECTIVE ACTIONS: The Permittee/Operator must provide proof of legal right to enter the affected lands to conduct mining and reclamation operations. This may include a copy of a lease, deed, abstract of title, a current tax receipt, or a signed statement by the landowner(s) and acknowledged by a Notary Public stating the Permittee/Operator has legal right to enter to conduct mining and reclamation.

CORRECTIVE ACTION DUE DATE: February 1, 2025

OBSERVATIONS

The Meadow Hollow Quarry was inspected by me, Jocelyn Carter, on behalf of the Division of Reclamation, Mining, and Safety (Division/DRMS). Colorado Quarry I, LLC is the permittee for this operation and Bret Lundwick and Jay Panzarella were present during the inspection on their behalf. The weather was calm and clear with mild temperatures.

Meadow Hollow Quarry is located in Larimer County, approximately 8 miles southwest from the town of Berthoud at an elevation of ~5,600 feet. To access the site from the intersection of U.S. Highway 287 and West County Road 8 (west of Berthoud), travel west on West County Road 8 for 2.8 miles, then travel west on County Road 8E for 3.1 miles, continue straight onto North County Road 31 for 2.7 miles, the mine site is located on the west side of the road.

This a 110c operation permitted for 9.9 acres. Sandstone material is extracted and processed on site for use as dimensional stone, decorative stone, pavers, and other construction purposes. The approved post-mining land use is general agriculture.

No mining activities were taking place at the time of the inspection. The purpose of this inspection was to meet with the operator to discuss issues that were identified during a site visit by the Division on October 24, 2024, and to go over the rough draft of their conversion application for the permit. Three issues were identified during the October inspection. The mine sign at the entrance of the permitted area was not incompliance with Rule 3.1.12(1), the name of the operation and the operator were not displayed on the mine sign. This problem was originally cited in the Division's December 3, 2024 inspection report (see Problem #1 above). The operator has not submitted the required items in accordance with the corrective actions and this problem remains unresolved at this time. It was found the Legal Right of Entry for the operator was not updated when the new landowners purchased the property in September 2023. This problem was originally cited in the Division's December 3, 2024 inspection and the Division's December 3, 2024 inspection was not updated when the new landowners purchased the property in September 2023. This problem was originally cited in the Division's December 3, 2024 inspection above). The operator has not submitted the required items in accordance with the corrective actions and this problem also remains unresolved at this time.

The third issue identified during the October inspection was that the lands categorized as pre-law disturbance to the north of the permitted area which had been used for non-mining related storage by the previous landowner was now being used for mine-related storage and facilities. The Division determined atht an additional

inspection would be needed to verify and measure the extent of the land being used for mining related purposes outside of the permitted area.

After it was found that mining activity had gone beyond the permitted area, the operator and the Division met to discuss the process of bringing the operation into compliance. The operator said they intended to submit a conversion application to expand the operation and permitted area. They had pulled together some questions regarding the application submittal which we discussed during the first hour of the inspection. The second objective of the inspection was to verify and measure the extent of the areas affected by the operation that were outside the permitted area, see below for more information.

Off-site Damage

During the inspection, it was found that there was off-site damage located to the north-northeast of the permit area, covering approximately 1.79 acres. The area was being used by the mine for storage of product material, palletized product material, material handling equipment, material processing equipment, a shed used for storing chemicals and hand tools, a truck scale, and a scale house. The area to the northwest of the extent of the off-site disturbed areas (see Figure 1 below) appears to have been graded for storing product material, according to satellite images. **This has been cited as a possible violation for off-site damage affecting approximately 1.79 acres outside of the approved affected land.** The Division will bring this matter to the Mined Land Reclamation Board (MLRB) for a hearing for consideration of a possible violation pursuant to C.R.S. 34-32.5-116(4)(i) for failure to protect areas outside of the approved affected land from slides or damages, and/or for failure to first obtain a reclamation permit prior to engaging in a new operation in accordance with C.R.S. 34-32.5-109(1). The schedule and other details for the MLRB hearing will be provided to the operator in a separate document to be sent via certified mail.

This concludes the report. Photos taken during the inspection and a map created showing the extent of the offsite damage are provided in this report. Any questions regarding the inspection should be directed to me by email at <u>Jocelyn.carter@state.co.us</u> or by phone at (720) 666-1065.

A hard copy of this report will be available by request only.

PHOTOGRAPHS



Photo #1: Scale and scale house located just to the north of the northeastern portion of the permit boundary.



Photo #2: Looking north up the road that leads to the pit entrance, the pit entrance and permit boundary is located just behind the point of view. The yellow arrow is pointing to the office for the operation, palletized material can be seen on either side of the road and on the west side of the road equipment can also be seen.



Photo #3: Looking south from the northwest area of the road that leads to the pit, located outside the permit boundary. The palletized material and equipment used for the operation can be seen. The green line marks the approximate location of the permit boundary.



Photo #4: View of material and equipment stored on the pit floor of the pre-law quarry located just north of the permitted area. Looking to the northwest from the approximate northeast edge of the permit boundary.



Photo #5: Palletized material stored along the back wall of the pre-law quarry; looking to the north from the center of the pit floor of the pre-law disturbance, north of the permit boundary.



Photo #6: View looking south from outside the approved permit area on the north side of the pit floor of the prelaw quarry. The green line marks the approximate permit boundary.



Photo #7: The western portion of the lands being used for the mining operation viewed from outside the approved permit area on the north side of the pre-law quarry, looking to the north-northwest.



Photo #8: View of the western portion of the land being used for mining purposes outside the permitted area, looking south from south of the office. Palletized material and equipment are being stored in an area that has been graded.



Figure 1: Map showing the current permit boundary (in pink) and the extent of the land found to be used for mining purposes (in green). The area outlined in green measures 1.79 acres.

GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(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>NA</u>	(SF) PROCESSING FACILITIES <u>NA</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>PB</u>	(SP) STORM WATER MGT PLAN <u>NA</u>	(RS) RECL PLAN/COMP	<u>N</u>
(ES) OVERBURDEN/DEV. WASTE <u>NA</u>	(SC) EROSION/SEDIMENTATION <u>N</u>	(ST) STIPULATIONS	<u>NA</u>
(AT) ACID OR TOXIC MATERIALS <u>NA</u>	(OD) OFF-SITE DAMAGE <u>PV</u>	(ROE) RIGHT OF ENTRY	<u>PB</u>

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

Inspection Contact Address Bret Lundwick & Jay Panzarella Colorado Quarry I, LLC 901 S CR31 Berthoud, CO 80513

CC: Amy Eschberger, DRMS John Holliday, Colorado Quarry I, LLC