


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: McKenna Limestone Quarry	MINE/PROSPECTING ID#: M-2000-039	MINERAL: Limestone (general)	COUNTY: Huerfano
INSPECTION TYPE: Surety-Related Inspection	WEATHER: Clear	INSP. DATE: May 20, 2025	INSP. TIME: 12:52
OPERATOR: Delhur Industries, Inc.	OPERATOR REPRESENTATIVE: None	TYPE OF OPERATION: 110c - Construction Limited Impact	

REASON FOR INSPECTION: Surety Related	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$17,100.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
INSPECTOR(S): Amber M. Gibson	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: June 17, 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: Signs & Markers

PROBLEM: The affected area boundary markers are missing or incorrectly placed. This is a problem for failure to maintain boundary markers around the affected area as required by Section 3.1.12(2) of the rule.

CORRECTIVE ACTIONS: The Operator shall replace the boundary markers in the correct locations. The Operator shall provide proof to the Division that this has been done by the corrective action date.

CORRECTIVE ACTION DUE DATE: 9/01/25

OBSERVATIONS

The McKenna Limestone Quarry was inspected by Amber Gibson with the Division of Reclamation, Mining and Safety (Division/DRMS). The inspection was completed as part of a surety reduction application (SR1) review for the SR1 application submitted on April 24, 2025. The site was previously inspected by the Division on October 24, 2024 as part of the Division's routine monitoring inspection program. No Operator representative accompanied me during this inspection. The weather was warm, and the skies were clear.

The McKenna Limestone Quarry is located approximately 3.5 miles southeast of the intersection of Colorado Highway 10 and County Road (CR) 210, which is about 8 miles northeast of Walsenburg, Colorado. The mine entrance road is approximately 1.5 miles southeast of the intersection of CR 210 and CR 211. The quarry is a 110c Construction Materials mining operation. The approved post-mining land use is rangeland.

Availability of Records:

In response to the Division's notification of the surety reduction application, the Huerfano County Noxious Weed Manager conducted an inspection of the site on May 12, 2025. The Huerfano County Noxious Weed Manager sent a copy of their findings to the Division on May 19, 2025. The comments mentioned that there was a few 'C' listed noxious weeds onsite, which were also observed during the Division's inspection. The Operator is advised to continue to conduct weed control measures throughout the life of the permit, pursuant to Rule 3.1.10(6). The Huerfano County Noxious Weed Manager's inspection comments are enclosed with this report.

Reclamation Success:

This site has entered into final reclamation. The Operator has backfilled and graded the highwalls onsite and slopes have been returned to a 3H:1V or flatter. The Operator has topsoiled, mulched, and seeded prior to the Division's inspection, and had submitted an SR1 application in response to the Division's surety increase (SI1) notice that resulted from the 2024 inspection's findings. Besides re-seeding and weed control, all the required reclamation work has been completed at this site. The Division has recalculated the remaining reclamation liability at this site and it is enclosed within this report. Based on the Division's findings, the Division will approve the SR1 request which will be sent under separate correspondence.

Looking forward, the Operator may maintain this permit once they've reached their reclamation requirements or they may request a release once the vegetation at this site has become established in compliance with the requirements of Rule 3.1.10 and the approved reclamation plan. As the site has not been active for over 10 years, mining cannot be re-initiated at this site without the approval of an amendment revision to the permit.

Roads:

The haul/access road is in a 30-foot easement and is approximately 0.3 miles long from CR 211 that is allowed to remain in place after mining is complete.

Financial Warranty:

As mentioned in the Reclamation Success section above, the remaining financial liability has been recalculated as a result of the SR1 inspection. The Operator will no longer be responsible for increasing the financial warranty to the amount required by the SL1 revision. Instead, the Operator may either keep the current bond on file with the Division as is, or contact the Division's Financial Assurance Specialist, Sara Stevenson-Benn (at sara.stevenson-benn@state.co.us) to request a refund or partial refund for the difference between the currently held bond and the new required bond amount. Note: the financial warranty is still subject to increases throughout the life of the permit.

Signs and Markers:

As a result of the Division's 2024 inspection, the Operator has since replaced the mine sign at the entrance to the site. The mine sign is in compliance with Rule 3.1.12(1). Upon re-inspecting the site, the inspector did not

observe any obvious permit boundary markers. This has been cited as a problem above. The Operator shall install permit boundary markers in compliance with Rule 3.1.12(2), and provide photo evidence to the Division, by the corrective action date.

Conclusion:

This concludes the Division's Inspection Report; a map displaying topics discussed in the report, and a subset of corresponding photographs that were taken during the time of the inspection, are included below. If you need additional information or have any questions, please contact me by email at amber.gibson@state.co.us or by telephone at (720) 836-0967.

Inspection Contact Address

Delhur Industries, Inc.
P.O. Box 883
Hermiston, OR 97838

*Enclosure: SR1 Reclamation Cost Estimate
Huerfano County Comments – Response to SR1 Notification*

CC: Rick Hurworth, Delhur Industries, Inc.
Jared Ebert, DRMS

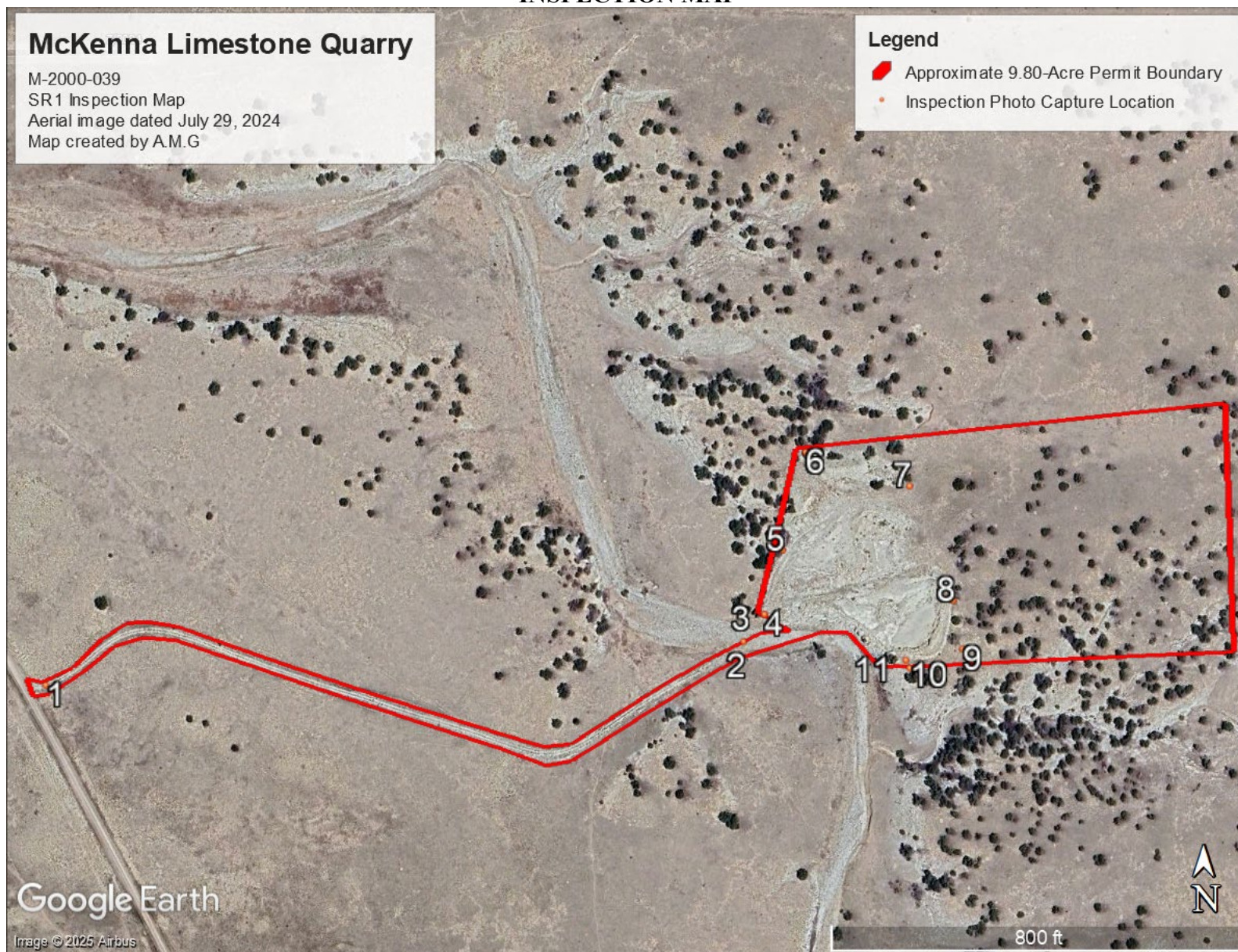
GENERAL INSPECTION TOPICS

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

(AR) RECORDS----- <u>Y</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>Y</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>PB</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

INSPECTION MAP



Map 1: Inspection Map generated using Google Earth Pro for the SR1 inspection. The aerial imagery was taken prior to the recent reclamation activities. The inspection photo icons on the map indicate the locations where the corresponding numbered inspection photos on the following pages were taken.

PHOTOGRAPHS



Photo 1: New mine sign located at the site entrance.



Photo 2: Looking at the recently reclaimed area, standing on the access road outside of the mining area. The wall on the west side of the permit area is a natural berm and is approved to stay to help protect the adjacent arroyo from stormwater runoff from the pit.



Photo 3: Looking northeast from the western permit boundary.



Photo 4: Looking at a recently mulched area along the natural berm lining the arroyo where some vegetation has begun to sprout.



Photo 5: Looking across the backfilled, graded, topsoiled, mulched, and seeded area on the east side of the permit.



Photo 6: Looking across the backfilled, graded, topsoiled, mulched, and seeded area on the north side of the permit.



Photo 7: Looking south across the reclaimed disturbance.



Photo 8: Looking west along the reclaimed highwall on the south side of the permit.



Photo 9: Looking southeast at some reclaimed disturbance on the southeast side of the permit.



Photo 10: Looking across the reclaimed areas from the south side of the permit.



Photo 11: Looking across the reclaimed areas from the south side of the permit. Pictured again is the natural arroyo shown in Photo 2 above.

COST SUMMARY WORK

Task description: Remaining Reclamation Liability

Site: McKenna Limestone Quarry

Permit Action: SR1

Permit/Job#: M2000039

PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 6/17/2025

County: Huerfano

Filename: M039-000

User: AMG

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Re-seeding of 2.4 acres	REVEGE	1	3.00	\$2,382
002	Mob/DeMob	MOBILIZE	1	3.86	\$2,579
<u>SUBTOTALS:</u>				6.86	\$4,961

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$100

Performance bond: 1.05

Total = \$52

Job superintendent: 3.43

Total = \$272

Profit: 10.00

Total = \$496

TOTAL O & P = \$920

CONTRACT AMOUNT (direct + O & P) = \$5,881

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): \$500

Total = \$500

Engineering work and/or contract/bid preparation: 4.25

Total = \$250

Reclamation management and/or administration: 5.00

\$294

CONTINGENCY: 0.00

Total = \$0

TOTAL INDIRECT COST = \$1,964

TOTAL BOND AMOUNT (direct + indirect) = \$6,925

REVEGETATION WORKTask description: Re-seeding of 2.4 acresSite: McKenna Limestone QuarryPermit Action: SR1Permit/Job#: M2000039**PROJECT IDENTIFICATION**Task #: 001
Date: 6/17/2025
User: AMGState: Colorado
County: HuerfanoAbbreviation: None
Filename: M039-001Agency or organization name: DRMS**TILLING**

Description	Cost /Acre
Weed control spraying (MEANS 31 31 16.13 3100)	\$338.80
Total Tilling Cost/Acre	\$338.80

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Little Bluestem - Cimarron	3.50	20.89	\$47.46
Sideoats Grama - Vaughn	4.50	14.77	\$110.66
Western Wheatgrass - Arriba	8.00	20.20	\$72.27
Totals Seed Mix	16.00	55.87	\$230.39

Application

Description	Cost /Acre
Drill Seeding (DRMS Survey Cost)	\$236.64
Total Seed Application Cost/Acre	\$236.64

JOB TIME AND COSTNo. of Acres: 2.4
Estimated Failure Rate: 40%
*Selected Replanting Work Items: SEEDINGCost /Acre: \$805.83
Cost /Acre*: \$467.03Initial Job Cost: \$1,933.99
Reseeding Job Cost: \$448.35
Total Job Cost: \$2,382
Job Hours: 3.00

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mob/DeMob**Site: **McKenna Limestone Quarry**Permit Action: **SR1**Permit/Job#: **M2000039****PROJECT IDENTIFICATION**Task #: **002**State: **Colorado**Abbreviation: **None**Date: **6/17/2025**County: **Huerfano**Filename: **M039-002**User: **AMG**Agency or organization name: **DRMS****EQUIPMENT TRANSPORT RIG COST**Shift basis: **1 per day**Cost Data Source: **CRG Data**Truck Tractor Description: **GENERIC ON-HIGHWAY TRUCK TRACTOR, 6X4, DIESEL POWERED,
400 HP (2ND HALF, 2006)**Truck Trailer Description: **GENERIC FOLDING GOOSENECK, DROP DECK EQUIPMENT
TRAILER (25T, 50T, AND 100T)****Cost Breakdown:**

Available Rig Capacities	0-25 Tons	26-50 Tons	51+ Tons
Ownership Cost/Hour:	\$10.44	\$22.18	\$23.94
Operating Cost/Hour:	\$26.48	\$54.55	\$55.65
Operator Cost/Hour:	\$22.52	\$22.52	\$22.52
Helper Cost/Hour:	\$0.00	\$23.53	\$23.53
Total Unit Cost/Hour:	\$59.44	\$122.78	\$125.64

NON ROADABLE EQUIPMENT:

Machine Description	Weight/ Unit (TONS)	Owner ship Cost/hr/ unit	Haul Rig Cost/hr/unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet	DOT Permit Cost/ fleet
Cat D7R DS XR Series II	35.93	\$99.49	\$122.78	1	\$222.27	\$122.78	\$250.00
Drill/Broadcast Seeder with Tractor	25.00	\$41.02	\$59.44	2	\$200.92	\$118.88	\$250.00

Subtotals: **\$423.19** **\$241.66** **\$500.00****ROADABLE EQUIPMENT:**

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Light Duty Pickup, 4x4, 3/4 T.	\$119.71	1	\$119.71	\$119.71

Subtotals: **\$119.71** **\$119.71**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region: WALSENBURG
 Total one-way travel distance: 14.00 miles
 Average Travel Speed: 30.00 mph

Total Non-Roadable Mob/Demob Cost * \$2,466.91
 ** two round trips with haul rig:
 Total Roadable Mob/Demob Cost ** \$111.73
 ** one round trip, no haul rig:

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>0.47</u>	<u>0.47</u>
Return Time (Hours):	<u>0.47</u>	<u>0.47</u>
Loading Time (Hours):	<u>0.50</u>	<u>NA</u>
Unloading Time (Hours):	<u>0.50</u>	<u>NA</u>
Subtotals:	<u>1.93</u>	<u>0.93</u>

JOB TIME AND COST

Total job time: 3.87 Hours

Total job cost: \$2,579

Subject: Mckenna Limestone Quarry Noxious Weed Inspection for Surety Reduction Request

Inspector: Charles Bryant-Huerfano County Noxious Weed Manager

Date of Inspection: 5-12-25

Location I.D.: M-2000-039

Operator: Delhur Industries, Inc.

Long\Lat: 37.65248, -104.60322

Site Type: Former industrial, reclamation to rangeland

Prepared for: Huerfano County Land Use Office

Overview: The Mckenna Limestone Quarry was inspected on May 12th, 2025 for the presence of Colorado State List Noxious Species that are subject to control.

Site Conditions: The area appears to have had reclamation work performed in the preceding months, with the formerly mined area having been contoured and seeded with an unknown grass along with the placement of straw mulch used for moisture retention. As typical for eastern Huerfano County, the soil composition was primarily heavy clay. Recent precipitation has allowed modest amounts of the seeded area to display vegetation growth (primarily reclamation grass), though the site is still mainly bare. Given the position of this site on a westward facing hill, a considerable amount of the straw mulch has accumulated in certain areas to depths nearly a foot deep, while other areas are now nearly bare due to the prevailing winds. Given the recent site disturbance from these reclamation efforts, little other vegetation (native & non-native) was present within the primary mine site. There were populations of Colorado State C List species encountered along the perimeter of the mined area, but this is consistent with the species composition of the surrounding non-mine rangeland areas. It is worth noting that the C List species encountered are not subject to control under local or state regulations and are widespread throughout the region, however, the Colorado Division of Reclamation & Mining may have more stringent requirements that address C List or other non-native plant species. Refer to the site specific reclamation plan approved by the Division to determine if the presence of these lower priority species is acceptable.

Colorado C List Noxious Species Encountered

Redstem Fillaree	<i>Erodium cicutarium</i>	Annual or Biennial
Common Mullein	<i>Verbascum tapsus</i>	Biennial
Field Bindweed	<i>Convolvulus arvensis</i>	Perennial
Cheat Grass\Downy Brome	<i>Bromus tectorum</i>	Winter Annual Grass

Site Conditions for Surrounding Area

High priority noxious plant species distribution (A & B List species) among the surrounding area is minimal, with none being encountered within the immediate mine site or access road that stems off of

C.R. 211. The potential for the introduction of these higher priority species from the adjoining natural areas is minimal, though there is the possibility of the seeds or propagules of these and other species having been spread by equipment used during the reclamation efforts. During this site visit there was no equipment or other debris associated with the mining operations observed, with little signs of access\activity by others. The entrance to the site had the appropriate signage indicating the name of the operation, the operator, contact information and mine ID number. The access road was in satisfactory condition, though it appeared that road maintenance had not been performed since the mine was last active.

Potential Issues: The reclaimed area will need to be monitored until a desirable, resilient plant community is established. The large bareground areas have a high potential of becoming occupied by non-native plant species like cheatgrass, Russian thistle and field bindweed should desirable plant competition not be realized from the recent reclamation efforts. Should these species become established within the site, it will hamper the development of a resilient, desirable plant community which is vital for the recovery of disturbed areas within the project site.

Site Photos



Photo: Looking NE from access road, west side of site



Photo: Looking east from SW corner



Photo: Looking south from north side



Photo: Taken from NE corner looking SE



Photo: Looking west from east side