

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: Grisenti Farms Gravel Pit INSPECTION TYPE: Monitoring	MINE/PROSPECTING ID#: M-2001-005 WEATHER: Clear	MINERAL: COUNTY: Sand and gravel Fremont INSP. DATE: June 24, 2025 INSP. TIME: 10:00
OPERATOR: Continental Materials Corporation	OPERATOR REPRESENTATIVE: Mr. Jerry Schnabel	TYPE OF OPERATION: 112c - Construction Regular Operation

REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:
Normal I&E Program	Complete Bond	\$115,600.00
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:
NA	None	None
INSPECTOR(S):	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:
Jocelyn Carter	Jone Rate	July 30, 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: Right of Entry

PROBLEM #1: The Division is aware of the permittee name change from Continental Materials Corporation to Riverbend Industries Inc. As the site reclamation is not complete, a Succession of Operator application is needed to change the permittee name pursuant to C.R.S. 34-32.5-119.

CORRECTIVE ACTIONS: Submit a Succession of Operator application to the Division and the application fee of \$144 by the corrective action due date.

CORRECTIVE ACTION DUE DATE: September 1, 2025

INSPECTION TOPIC: Revegetation

PROBLEM #2: Russian olive and tamarisk trees are present within or have volunteered into the permit area and are becoming established. This is a problem for failure to employ weed control methods for a state listed noxious weed species within the permitted area, and to reduce the spread of weeds to nearby areas as required by Section 3.1.10 (6) of the rule.

CORRECTIVE ACTIONS: The operator shall implement the existing weed control plan in accordance with Section 3.1.10 (6) of the Rule. Submit documentation demonstrating completed control methods for Russian olive and Tamarisk trees by the corrective action due date.

CORRECTIVE ACTION DUE DATE: September 1, 2025

OBSERVATIONS

The Grisenti Farms Gravel Pit (GFGP), Permit No. M-2001-005, was inspected by me, Jocelyn Carter, on behalf of the Division of Reclamation, Mining, and Safety (Division/DRMS). The permittee for this operation is Continental Materials Corporation (CMC) and Mr. Jerry Schnabel was present representing CMC. The weather conditions at the time of the inspection were clear skies and warm temperatures.

GFGP is located just east of Colorado Highway 115 (CO Hwy 115), approximately 2 miles south of the town of Penrose, in Fremont County. The site is situated just north of the Arkansas River and covers 115.3 acres with the removal of sand and gravel for construction aggregates. The post-mining land use for the site is wildlife habitat and includes two ponds, one on the west end and one on the east end of the permitted area. The operation went into final reclamation on September 9, 2018, according to permit records.

A stockpile of tree slashings and mulch were on site, situated to the southeast of the western pond. According to Mr. Schnabel, the trees were collected from the property by the landowner and are being mulched for use by the landowner, see Photos #6 and #7. There were also some irrigation pipes observed, located south of the access road between the ponds, see Photo #8. The irrigation pipes were placed there and are used by the landowner. Additionally, an old dump truck was also observed to be on site, see Photo #9. According to past inspections reports, this dump truck is to be removed. It is recommended that CMC remove the dump truck prior to seeking final release of the permit.

There are two problems that are cited in this report, one for Right of Entry, and another for noxious weeds observed on site. Details about the required corrective action for these problems are given above. See below under the **Records** section for information about the right of entry problem and the **Revegetation** section for information about the observed noxious weeds.

Records

The permit is up to date with annual reports, maps, and fees. The landownership and mineral rights are both private. There are no open enforcement issues in the permit file. There are two open minor infractions associated with this permit file for problems cited in an inspection report signed by the EPS assigned to the site on November 8, 2023. The first problem cited was for right of entry; there was a name change from Continental Materials Corporation to Riverbend Industries Inc. This problem required a Succession of Operator application to be submitted to the Division. The second problem cited was due to the presence of Russian olive and Tamarisk present on the site at the time of the inspection and require the operator implement the existing weed control plan and provide documentation demonstrating completion of the plan.

Both problems remain outstanding and are cited again in this inspection report. However, there is no indication in Laserfiche that the inspection report that cited these two problems was ever issued to the operator. The original problems citations will therefore be terminated with no penalties administered by the Division. The two problems cited here will show the issuance date as the signature date of this report and the corrective action dates are updated to allow the operator appropriate time to address these issues.

Hydrological Balance

There did not appear to be an issue with the hydrologic balance in the area. The approval of TR3 (August 2018) allowed for armoring to be installed along 415 feet of the northern bank of the Arkansas River to control erosion. The armor appeared to be in place with vegetation having established and furthered control of erosion, see Photo #11.

PERMIT #: M-2001-005 INSPECTOR'S INITIALS: JLC INSPECTION DATE: June 24, 2025

Signs and Markers

The mine sign is posted on the gate at the southwest entrance to the site, see Photo #1.

Financial Warranty

The Division holds a bond of \$115,600.00; this amount is adequate.

Fish & Wildlife

The aquatic life and wildlife in the area appeared to be thriving. Turtles were observed to be living in both ponds. Waterfowl were observed on the island on the eastern pond, mostly ducks and a small number of egrets; the island structure was approved with TR4 (September 2019), see Photo #10. Small songbirds populated the shores of the ponds, such as red-winged black birds and western and mountain bluebirds. A deer was also seen during the inspection, between the south shore of the eastern pond and the north bank of the Arkansas River.

Erosion/Sedimentation

No issues with erosion or sedimentation were observed.

Roads

The access roads are to remain in place for use by the landowner, according to the approved reclamation plan. The roads appear to be in good condition, easily traversable, with no erosion issues, see Photo #4.

Revegetation

The overall vegetation of the area appeared to be well established, with one small exception where vegetation was relatively sparse compared to surrounding areas. There is a small area to the north of the western pond where there is a notable bare spot, measuring less than 0.1 acres, see Photo #2. The most recent updated seed mix (TR6, May 2025) included the use of alfalfa which appeared to have a great success on the areas where the seed was applied. There was a wide variety of vegetation observed across the permitted area including multiple grasses, milkweed, kochia, tick sunflowers, and cattails, see Photos #5, and #12.

There are two List B species that were observed on the site at the time of the inspection: Russian Olive and Salt cedar, see Photos #3, #4, and #8. CMC is advised to implement their approved weed management plan (TR1, June 2005). Russian olive and Salt cedar were observed along the shoreline of the west pond and along the southern permit boundary between the two ponds.

Reclamation Plan/ Compliance

Reclamation tasks have been completed at the site and the last time the site was seeded was in the May of 2025 after the approval of an updated seed mix with TR6. All earth works have been completed on the site and the operator is now working to establish diverse vegetation. The updated seed mix added alfalfa at the guidance of the landowner. The vegetation observed during the inspection was diverse and well established. There are very few areas of sparse vegetation, mostly in low lying areas where water is retained and fine particles accumulate.

PHOTOGRAPHS



Photo #1: Mine sign posted on gate along the southern access road, off CO Hwy 115.



Photo #2: Area of sparse vegetation located north of wester pond, looking to the west southwest.



Photo #3: From the western edge of the west pond, looking north, CO Hwy 115 can be seen in the background. Russian olive and tamarisk can be seen along the pond shore, outlined in red.



Photo #4: From the north side of the west pond, looking to the east. View of the road to be left for use by the landowner. Tamarisk can be seen along the pond shore, outlined in red.



Photo #5: From the southcentral area of the permitted area, looking to the west towards the west pond. A view of the various vegetation along the southeast shore of the west pond.



Photo #6: Stockpile of tree slash material located southeast of the west pond.



Photo #7: Stockpile of mulch, adjacent to the stockpile of tree slash material.



Photo #8: Irrigation pipes located south of the access road between the west and east ponds. Russian olive and Tamarisk can be seen in the background on the left side of the photo, outlined in red.



Photo #9: Old dump truck that needs to be removed from the permitted area prior to release of the permit.



Photo #10: From the east shore of the east pond, looking west. View of the east pond and the island with waterfowl.



Photo #11: The armored north bank of the Arkansas River with voluntary vegetation established.



Photo #12: From the southcentral portion of the permit area, looking north toward the east pond. View of the various types of vegetation.

PERMIT #: M-2001-005 INSPECTOR'S INITIALS: JLC INSPECTION DATE: June 24, 2025

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>Y</u>	(BG) BACKFILL & GRADING <u>N</u>	(EX) EXPLOSIVES <u>NA</u>
(PW) PROCESSING WASTE/TAILING <u>NA</u>	(SF) PROCESSING FACILITIES NA	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>N</u>	(FW) FISH & WILDLIFE <u>Y</u>	(RV) REVEGETATION PB
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN NA	(RS) RECL PLAN/COMP Y
(ES) OVERBURDEN/DEV. WASTE <u>NA</u>	(SC) EROSION/SEDIMENTATION Y	(ST) STIPULATIONS <u>NA</u>
(AT) ACID OR TOXIC MATERIALS <u>NA</u>	(OD) OFF-SITE DAMAGE <u>N</u>	(ROE) RIGHT OF ENTRY PB

Inspection Contact Address

Mr. Jerry Schnabel Continental Materials Corporation 549 E Cucharras Street Colorado Springs, CO 80903

CC: Amy Eschberger, DRMS Ron Gidwitz, Continental Materials Corporation

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