

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:	MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
Timnath Connell Pit	M-1999-050	Sand and gravel	Larimer
INSPECTION TYPE:	WEATHER:	INSP. DATE:	INSP. TIME:
Surety Release Inspection	Clear	July 2, 2025	11:00
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Connell Resources, Inc.	Kevin Anderson, Bill Schenderlein	112c - Construction Regular Operation	
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:	
Surety Release Requested	Complete Bond	\$1,479,942.00	
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGE	NCY:
NA	None	None	
INSPECTOR(S):	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:	
Joel Renfro	\bigcirc .10	August 1, 2025	
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GENERAL INSPECTION TOPICS

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. No problems or possible violations were noted during the inspection. The mine operation was found to be in full compliance with Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials and/or for Hard Rock, Metal and Designated Mining Operations. Any person engaged in any mining operation shall notify the office of any failure or imminent failure, as soon as reasonably practicable after such person has knowledge of such condition or of any impoundment, embankment, or slope that poses a reasonable potential for danger to any persons or property or to the environment; or any environmental protection facility designed to contain or control chemicals or waste which are acid or toxic-forming, as identified in the permit.

(AR) RECORDS <u>N</u>	(FN) FINANCIAL WARRANTY N	(RD) ROADS <u>N</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 N	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- N	(FW) FISH & WILDLIFE <u>N</u>	(RV) REVEGETATION <u>Y</u>
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN N	(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

PERMIT #: M-1999-050 INSPECTOR'S INITIALS: JR2 INSPECTION DATE: July 2, 2025

OBSERVATIONS

The Timnath Connell Pit was inspected by Joel Renfro with the Division of Reclamation, Mining, and Safety (Division/DRMS) on July 2, 2025 as a part of an acreage reduction request (AR-2) that was filed with the Division on May 9, 2025. Bill Schenderlein with Blue Earth Solutions and Kevin Anderson with Connell Resources, Inc. were present during the inspection, representing Connell Resources, Inc. The weather was clear and the site was active. **Photos 1-7** taken during the inspection are included with this report.

This is a 112c operation permitted for 151.3 acres to extract sand and gravel. The permit area was reduced by 6.3 acres from AR-1 in January 2024. The post-mine land uses for this site are a combination of Developed Water Resources, Industrial/Commercial, and Residential, which was updated in the 2024 Amendment (AM-1). The specific post-mine land use for this release block is residential, which was changed to this to be in accordance with the Town of Timnath zoning and property owner preference.

AR-2 requested the release of 29.9 acres. The release block is in the northeast of the permit area and is separated from the rest of the operation by Weitzel Road, which was released in AR-1. The reclamation intention for this area was to stabilize the soil surface, establish a fast-growing cover-crop grass mix, and control erosion, as the land will be disturbed again for future construction projects after the acreage is released.

The site was graded to be nearly completely flat and was reseeded at least three years ago with the previously approved native grass mixture. Regular weed maintenance, including mechanical removal and mowing, has been performed. During the inspection, no erosion issues were observed. The vegetation was comprised mostly of grasses from the seed mix and some annual nuisance weeds such as kochia. Although kochia was present throughout the site, its presence does not necessarily negatively impact the reclamation plan for the site since the post-mine land use is residential, and the area will be developed after it is released from the permit area. No noxious weeds were observed on the site. Based on these observations, the vegetation appears dense and stable throughout the site, meeting the description of the approved reclamation plan.

In AM-1, it was identified that the Boxelder Ditch, which ran through the site, would be relocated to run along the eastern edge within the release block. A new ditch diversion was in place and active during the inspection. The ditch is a mostly concrete structure with a metal grate on top, and water was moving through it as intended.

Based on the observations made during this inspection, the request for an acreage reduction for the 29.9 acres in the northeast corner of the permit area will be approved. This release of 29.9 acres will reduce the permit area from 151.3 acres to 121.40 acres.

The approval documentation will be delivered in a separate letter. Please note that since the release of this acreage will change the mining plan map, reclamation plan map, and reclamation plan for this site, a Technical Revision to update these plans will need to be submitted to the Division within the next 60 days.

Most of the remaining activity occurs in the main pit, which is west of the release block. The Timnath Connell Pit is nearing the end of its life, and the operation plans to begin final reclamation for this project soon.

This concludes the report.

Any questions or comments regarding this inspection report should be forwarded to Joel Renfro at the Colorado Division of Reclamation, Mining, and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203,

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via telephone at (720) 812-2002, or email at joel.renfro@state.co.us.

PHOTOGRAPHS



Photo 1. Southeast edge of the release block along S Co Rd 5, looking east.



Photo 2. Southeast corner of the release block, looking southeast.



Photo 3. New Boxelder Ditch diversion along the eastern edge of the release block, looking west.



Photo 4. Reseeded area east of the Boxelder Ditch, looking south.



Photo 5. Revegetated field in the release block, looking west.



Photo 6. Revegetated field in the northern portion of the release block, looking east.



Photo 7. Revegetated field in the western portion of the release block, looking south.

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<u>Inspection Contact Address</u> Kevin Anderson Connell Resources, Inc. 7785 Highland Meadows Pkwy., Ste. 100 Fort Collins, CO 80528

CC:

Amy Eschberger, DRMS Bill Schenderlein, Blue Earth Solutions, LLC