



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: Daniels Sand Pit 2	MINE/PROSPECTING ID#: M-1973-007-SG	MINERAL: Sand and gravel	COUNTY: El Paso
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: September 3, 2025	INSP. TIME: 10:00
OPERATOR: Holcim - WCR, Inc.	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$1,411,315.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Hunter Ridley	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: September 19, 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: Gen. Compliance With Mine Plan

PROBLEM/POSSIBLE VIOLATION: Problem: The current mine plan map needs to be updated and clarified pursuant to C.R.S. 34-32.5-112 (1)(c)(VI). The operator must provide sufficient information to describe or identify how the operator intends to conduct the operation.

CORRECTIVE ACTIONS: The operator shall submit a Technical Revision, with the required \$216 revision fee, to update and clarify the current approved mine plan map to reflect existing and proposed activities by the corrective action date.

CORRECTIVE ACTION DUE DATE: 11/19/25

OBSERVATIONS

This inspection was conducted by Hunter Ridley with the Colorado Division of Reclamation, Mining and Safety (Division) as part of the normal monitoring program. Kurt Thurmann, representing the Operator, Holcim – WCR, Inc., accompanied the Division. The Daniels Sand Pit 2 is accessed from Bradley Road just west of South Academy Blvd, about one mile from I-25 in Colorado Springs. This is a 112c sand mine and was active during the time of the inspection.

Availability of Records: Annual reports are current, having been filed through January 2025, stating the last mining activity was the day the report was submitted. The previous inspection was on May 10, 2023. The approved post-mine land use is wildlife habitat. There are no open infractions. Both the surface and minerals are privately owned.

An application for a Succession of Operators was received by the Division on September 11, 2025. This application initiates a transfer of the Daniels Sand Pit 2 permit from Holcim – WCR, Inc. to Amrize West Central Inc. This was prompted by Holcim Ltds (Holcim) January 28, 2024 announcement of its intent to separate and list its North American business with a full capital market separation. The new North American business is branded as "Amrize" (Amrize West Central Inc.).

Acid And Toxic Materials: No acid or toxic materials were observed in the permit area.

Backfilling and Grading: Sufficient backfill material appeared to be available in and around the active pit area for use in final reclamation. Under TR-11, the Division approved expansion of the easternmost, large wash pond to allow for increased volume storage of slurry and fines. At the time of inspection, work was active in this area, as the expanded berm on the western side of the pond was being constructed (Photo 3). Overburden and excess material from the northwestern corner of the site, which was approved to be mined under TR-12, is being used to construct this expanded wash pond berm. The site plans to use fines, which have been previously deposited in this same TR-12 NW corner area to regrade and slope highwalls (Photo 6) once mining is complete in this area.

The old wash pond located east of S Academy Blvd., which is now used as an augmentation pond for water rights, has two tall berms. One berm is south facing, and one is east facing. The east facing berm is currently slightly steeper than the approved 3H:1V reclamation slopes. However, this east facing slope is heavily vegetated with native and desirable species and is not experiencing issues with erosion (Photo 9). Therefore, the Division would not recommend re-disturbance or layback of this slope in final reclamation, which is already well vegetated and stable.

The south facing slope above the augmentation pond (Photo 8) is well vegetated with volunteer vegetation but is too steep for final reclamation and will need to be laid back prior to final release. Site representatives agreed and stated that there was likely enough room to the north to flatten the slope out to an acceptable grade.

Financial Warranty: The Division currently holds a financial warranty amount of \$1,411,315.00 for this site. A Request for a Succession of Operator (SO4) revision was submitted to the Division on September 11, 2025. An updated financial warranty amount will be calculated during the SO4 process, and any necessary Notice of Surety Increase will be sent under separate cover.

Fish and Wildlife: No impact to wildlife was observed.

Hydrologic Balance: A small amount of standing water was observed in the active pit (Photo 7). This is expected due to the sandy nature of the native material, when the adjacent Fountain Mutual Ditch is flowing, as it was at the time of the inspection. The ponded water is not considered groundwater. If necessary, excess ponded stormwater is pumped around the pit to smaller sump areas to encourage and disperse ground infiltration.

The “old wash pond” on site is now being used as an augmentation pond for water right requirements and is approved to remain in final reclamation. Water trucks were noted on site for dust control. One discharge outfall is associated with the site and is located at the site entrance road.

Gen. Compliance with Mine Plan: The operation appeared to be in compliance with the approved mine plan. The maximum allowed disturbed area is 286.12 acres (based on the approval of AR-2 in 2018). Google Earth was used to measure the disturbed area, which was approximately 255 acres, based on 2025 imagery. The main active pit area (Photo 7) has both coarse and fine material, which is transported to the nearby processing plant via conveyor system. Slurry from material processing is currently pumped into a wash pond on the eastern side of the permit boundary (Photos 4 and 5).

There is a small, noncontiguous permit area to the northwest of the main active pit area (Photo 10) which is used for material storage. This area makes up approximately 35 acres of the full permit acreage.

The area known as the ‘Little J Property’ located just south of the wash pond, is currently used for equipment storage (Photo 11).

During permit review done in preparation for this site inspection, it was determined that the currently approved Mine Plan Map is inaccurate in its portrayal of the permit boundary. Currently, the approved map does not show that 66.18 acres were removed from the permit in 2018 under Acreage Reduction (AR-2). **The Division is citing this as a minor problem for failure to maintain an accurate Mine Plan Map.** The operator shall submit a Technical Revision, with the required \$216 revision fee, to update and clarify the current approved mine plan to reflect existing and proposed activities by the corrective action date of November 19, 2025.

Off-site Damage: The operation appeared to be confined to the permit boundary, based on Google Earth review and site observations.

Processing Waste: Processing waste consists of fines, which are used for backfill.

Roads: Haul and access roads did not appear to be a source of sediment that could be tracked offsite. Road side ditches were clean. Vehicle tracking BMPs were adequate.

Right of Entry: The Permittee owns the site.

Reclamation Success: Various highwalls in the main pit are being flattened for final reclamation as the Operator performs concurrent reclamation. The old wash pond, which was previously filled in and reclaimed, is being re-disturbed as part of expanded mining operations in the northwest corner of the site. Most vegetative reclamation on site has been by volunteer vegetation.

Revegetation: Site representatives indicated they had not seeded any areas at the time of the inspection, although it was mentioned that the berm south of the Fountain Mutual Ditch, which has struggled with erosional issues for many years, may be hydro mulched in the near future to reduce erosion (Photo 2). Volunteer vegetation appeared well established on the surface of the old wash pond (Photos 8 and 9),

around unused slopes in the active pit area (Photo 7), and around the edges of the large wash pond (Photos 3 and 4). No noxious weeds were observed.

Sediment Control: No erosion problems that might result in offsite impact were observed and no BMPs were needed at the time of the inspection. The aforementioned slope between the large wash pond and the Fountain Mutual Ditch has been previously monitored by a professional engineer for any erosion or instability that may impact the ditch. This monitoring began in January 2021 and continued until June 2025, as required by the Division. Geotechnical reports were submitted on a combination of monthly, quarterly and bi-annual scheduling and helped to identify erosion areas in need of repair and monitor for slope stability. These reports have consistently shown that while the berm struggles with erosional issues, slope stability has not been compromised. Therefore, the Division is not requiring additional geotechnical inspection of the Fountain Mutual Ditch slope at this time.

Support Facilities On-site: Conveyors were observed in multiple locations. A loader and a D8 dozer were also observed.

Signs and Markers: The permit sign was properly posted (Photo 1), and boundary markers were observed to be consistent with previous inspections. The permit sign will need to be updated with the Amrize West Central Inc. name with the approval of SO-4.

Permit Stipulations: There is one open stipulation (to be adhered to during the duration of mining): at no time during mining phases of the operation will any vertical portion of the highwall exceed 35 feet from the topsoil- stripped ground line to the top of the sloughed sand.

Storm Water MGT Plan: No oil or fuel spills observed. No culverts were observed to need maintenance. Stormwater drains to the pit and infiltrates.

Topsoil: Topsoil is stockpiled around the edges of the main pit and around the edges of other disturbed areas. These are well vegetated and appropriately marked in accordance with Rule 3.1.9.

Structures: No new structures were observed within 200 feet of the affected area.

Post Inspection Meeting: A close out meeting was held outside the office scale house.

The Division discussed the upcoming Succession of Operators revision (SO-4), which was received by the Division on September 11, 2025, and is currently in review by the Division. The need for a Technical Revision to update the current Mine Plan map with the correct permit boundary was also discussed and is cited here as a minor problem. No other problems or possible violations were cited. The Division also briefly discussed a hypothetical situation where the Operator would expand mining operations in the main pit to include excavations that would expose groundwater. Exposing groundwater is considered a significant revision to a mining plan. At the Daniels site specifically, this undertaking would be further complicated by the presence of a nearby contamination plume. Among other items, an in-depth hydrologic study to identify the extent of this plume and construction of water quality monitoring wells would be required before the Division could approve this type of mine plan revision.

Photographs taken during the inspection have been included below. Responses to this inspection report should be directed to: Hunter Ridley at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 720-868-7757 or via email at hunter.ridley@state.co.us

PHOTOGRAPHS



Photo 1: Mine identification sign posted at the site office access road off of Bradley Rd.



Photo 2: View east of the slope between Fountain Mutual Ditch and the easternmost large wash pond, recent repair of erosion is visible.



Photo 3: View south of the newly expanded berm on the west side of the wash pond.



Photo 4: View east of the wash pond.



Photo 5: View southwest of the inlet area of the wash pond.



Photo 6: Current highwall in the southwest corner of the site which will be mined as approved under TR12.



Photo 7: View north down into the active mining area. Fountian Mutual Ditch is behind (south) of the vantage point.



Photo 8: View north of the south and east facing berms at the old wash pond.



Photo 9: View south of the east facing slope at the old wash pond.



Photo 10: View north of the noncontiguous, northwestern portion of the permit boundary.



Photo 11: View east of the 'Little J' property portion of the permit boundary, located along the southern edge of the permit.

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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>Y</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>PB</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>Y</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 Contact Address

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