




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: Frentress Gravel Pit | MINE/PROSPECTING ID#: M-2011-017 | MINERAL: Sand and gravel | COUNTY: Routt |
| INSPECTION TYPE: Monitoring | WEATHER: snowing | INSP. DATE: December 3, 2025 | INSP. TIME: 11:30 |
| OPERATOR: J. Quarter Circle Mineral Co., LLC | OPERATOR REPRESENTATIVE: Call Camblin | TYPE OF OPERATION: 110c - Construction Limited Impact | |
| REASON FOR INSPECTION: Surety Related | BOND CALCULATION TYPE: Complete Bond | BOND AMOUNT: \$0.00 | |
| DATE OF COMPLAINT: NA | POST INSP. CONTACTS: None | JOINT INSP. AGENCY: None | |
| INSPECTOR(S): Brock Bowles | INSPECTOR'S SIGNATURE:  | SIGNATURE DATE: December 9, 2025 | |

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----- <u>Y</u> | (RD) ROADS----- <u>N</u> |
| (HB) HYDROLOGIC BALANCE----- <u>Y</u> | (BG) BACKFILL & GRADING----- <u>N</u> | (EX) EXPLOSIVES----- <u>N</u> |
| (PW) PROCESSING WASTE/TAILING---- <u>N</u> | (SF) PROCESSING FACILITIES----- <u>N</u> | (TS) TOPSOIL----- <u>Y</u> |
| (MP) GENL MINE PLAN COMPLIANCE- <u>Y</u> | (FW) FISH & WILDLIFE----- <u>N</u> | (RV) REVEGETATION---- <u>N</u> |
| (SM) SIGNS AND MARKERS----- <u>Y</u> | (SP) STORM WATER MGT PLAN---- <u>N</u> | (RS) RECL PLAN/COMP-- <u>N</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

OBSERVATIONS

This inspection was conducted by Brock Bowles of the Division of Reclamation, Mining and Safety (Division). Call Camblin of CRC, Inc. (operator) was present for the inspection. The Frentress Pit is located about 3 miles west of Hayden. The site is an active 110c operation with 9.9 acres permitted and the post-mining land use is pastureland. At the time of the inspection, it was overcast with flurries, cold and the ground was covered with about 3 inches of snow.

This inspection is being conducted as part of the SO2 process. The SO2 application was received by the Division on November 11, 2025 and was deemed incomplete on November 14, 2025. The Division has since received the requested materials for the application to be considered complete, and these materials are currently under review.

Financial Warranty:

The Division currently holds a corporate surety and cash totaling \$37,914.53 for the reclamation of the Frentress Pit. A recent reevaluation, conducted as part of this SO2 inspection, established a new cost estimate of \$38,801. This represents a minor increase of \$887 (2.3%). Given the small difference, the Division will not require a surety increase at this time. The operator, CRC, Inc., has already submitted a conversion application (CN1) to expand the site's permitted acreage. The cost estimate will be reevaluated again during the CN1 process to account for the new mining plan. The updated cost estimate is attached to this report.

Hydrologic Balance:

Water pooling was observed in the pit bottom. To comply with Colorado Stormwater regulations, the pit floor must be recontoured to allow for free water flow and prevent impoundment.

Gen. Compliance With Mine Plan:

During the inspection, no mining activity was observed. Equipment on site included a front-end loader and a portable screening plant, neither of which was in operation (photo 1).

The main pit area is primarily depleted of gravel. Several product stockpiles were present in the pit (photos 2 & 3). An application (SO2) for conversion and expansion of the pit area has been submitted to the Division. Review of the subsequent CN1 application will commence once the SO2 application is approved. The pit walls generally exhibit a 1h:1v slope.

The topsoil on top of the hill north of the pit area had been salvaged (photo 4). This area was prepared for mining.

A scale and scale house were located along the haul road at the top of the hill.

Signs and Markers:

The mine entrance sign was in place at the entrance gate facing CR 65. The entrance gate was closed upon arrival.

Topsoil:

The topsoil stockpile is situated on the south side of the pit, above the pit area. Although some vegetation was visible through the snow, the amount of vegetative cover was difficult to determine. Due to the significant snow cover, it was not possible to verify the inadequate vegetation conditions noted in the July 2023 inspection, which had previously indicated insufficient vegetation to control erosion.

PHOTOGRAPHS



Photo 1- West side of mined area, with equipment staged.



Photo 2- The west end of the mined area, facing south. Mine access road in upper right side of the photo.



Photo 3- Eastern section of mined area.



Photo 4- Topsoil stockpile on northern section of mined area on top of the hill.

Inspection Contact Address

Call Camblin
J. Quarter Circle Mineral Co., LLC
801 8th Street, Suite 220
Greeley, CO 80631

Enclosure- SO2 cost estimate

COST SUMMARY WORK

Task description: _____

Site: Frentress Gravel Pit Permit Action: 2025 SO2 Permit/Job#: M2011017

PROJECT IDENTIFICATION

Task #: 000 State: Colorado Abbreviation: None
Date: 12/8/2025 County: Routt Filename: M017-000
User: BFB

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

| Task | Description | Form Used | Fleet Size | Task Hours | Cost |
|--------------------------|--|-----------|------------|--------------|-----------------|
| 100 | Push & Grade pit slopes to 3H:1V | DOZER | 1 | 8.88 | \$4,218 |
| 200 | Placement of topsoil (9.0 ac. at 7" depth) | DOZER | 1 | 5.85 | \$2,778 |
| 300 | Vegetate disturbed area | REVEGE | 1 | 9.00 | \$21,351 |
| 400 | Mob./Demob. reclamation crew/equipment | MOBILIZE | 1 | 2.80 | \$2,853 |
| <u>SUBTOTALS:</u> | | | | 26.53 | \$31,200 |

INDIRECT COSTS

OVERHEAD AND PROFIT:

| | | | |
|----------------------|-------|---------|---------|
| Liability insurance: | 2.02 | Total = | \$630 |
| Performance bond: | 1.05 | Total = | \$328 |
| Job superintendent: | 15.96 | Total = | \$1,199 |
| Profit: | 10.00 | Total = | \$3,120 |

TOTAL O & P = \$5,277

CONTRACT AMOUNT (direct + O & P) = \$36,477

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

| | | | |
|--|--------------|---------|----------------|
| Financial warranty processing (legal/related costs): | <u>\$500</u> | Total = | <u>\$500</u> |
| Engineering work and/or contract/bid preparation: | <u>0.00</u> | Total = | <u>\$0</u> |
| Reclamation management and/or administration: | <u>5.00</u> | | <u>\$1,824</u> |

CONTINGENCY: 0.00 Total = \$0

TOTAL INDIRECT COST = \$7,601

TOTAL BOND AMOUNT (direct + indirect) = \$38,801

BULLDOZER WORKTask description: Push & Grade pit slopes to 3H:1VSite: Frentress Gravel PitPermit Action: 2025 SO2Permit/Job#: M2011017**PROJECT IDENTIFICATION**Task #: 100State: ColoradoAbbreviation: NoneDate: 12/8/2025County: RouttFilename: M017-100User: BFBAgency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D9T - 9SUHorsepower: 405Blade Type: Semi-UniversalAttachment: NAShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

| | | <u>Utilization %</u> |
|------------------------|----------|----------------------|
| Ownership Cost/Hour: | \$275.01 | NA |
| Operating Cost/Hour: | \$161.84 | 100 |
| Ripper own. Cost/Hour: | \$0.00 | NA |
| Ripper op. Cost/Hour: | \$0.00 | 0 |
| Operator Cost/Hour: | \$38.02 | NA |

Total unit Cost/Hour: \$474.87Total Fleet Cost/Hour: **\$474.87****MATERIAL QUANTITIES**Initial Volume: 5,859Swell factor: 1.120Loose volume: **6,562 LCY**Source of estimated volume: Highwall 1500' L x 20' HSource of estimated swell factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 100 feetUnadjusted hourly production: 1,243.2 LCY/hrMaterials consistency description: Compacted fill or embankment 0.9Average push gradient: -10 %Average site altitude: 6,380 feetMaterial weight: 2,550 lbs/LCYWeight description: Gravel - Dry**Job Condition Correction Factor**

| | | <u>Source</u> |
|-----------------------|-------|---------------|
| Operator Skill: | 0.750 | (AVG.) |
| Material consistency: | 0.900 | (CAT HB)) |
| Dozing method: | 1.200 | (SLOT) |
| Visibility: | 1.000 | (AVG.) |

| | | |
|------------------|-------|---------------|
| Job efficiency: | 0.830 | (1 SHIFT/DAY) |
| Spoil pile: | 0.800 | (FND-RF) |
| Push gradient: | 1.225 | (CAT HB) |
| Altitude: | 1.000 | (CAT HB) |
| Material Weight: | 0.902 | (CAT HB) |
| Blade type: | 1.000 | (PAT) |

Net correction: 0.5943

Adjusted unit production: 738.83 LCY/hr

Adjusted fleet production: **738.83** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)

Unit cost: \$0.643/LCY

Total job time: **8.88** Hours

Total job cost: **\$4,218**

BULLDOZER WORKTask description: **Placement of topsoil (9.0 ac. at 7" depth)**Site: **Frentress Gravel Pit**Permit Action: **2025 SO2**Permit/Job#: **M2011017****PROJECT IDENTIFICATION**Task #: **200**State: **Colorado**Abbreviation: **None**Date: **12/8/2025**County: **Routt**Filename: **M017-200**User: **BFB**Agency or organization name: **DRMS****HOURLY EQUIPMENT COST**Basic Machine: **Cat D9T - 9SU**Horsepower: **405**Blade Type: **Semi-Universal**Attachment: **NA**Shift Basis: **1 per day**Data Source: **(CRG)****Cost Breakdown:**

| | | <u>Utilization %</u> |
|------------------------|----------|-----------------------------|
| Ownership Cost/Hour: | \$275.01 | NA |
| Operating Cost/Hour: | \$161.84 | 100 |
| Ripper own. Cost/Hour: | \$0.00 | NA |
| Ripper op. Cost/Hour: | \$0.00 | 0 |
| Operator Cost/Hour: | \$38.02 | NA |

Total unit Cost/Hour: **\$474.87**Total Fleet Cost/Hour: **\$474.87****MATERIAL QUANTITIES**Initial Volume: **8,421**Swell factor: **1.000**Loose volume: **8,421 LCY**Source of estimated volume: **9.0 ac @ 7" deep**Source of estimated swell factor: **Cat Handbook****HOURLY PRODUCTION**Average push distance: **100 feet**Unadjusted hourly production: **1,243.2 LCY/hr**Materials consistency description: **Partly consolidated stockpile 1.1**Average push gradient: **-10 %**Average site altitude: **6,380 feet**Material weight: **1,600 lbs/LCY**Weight description: **Top Soil****Job Condition Correction Factor**

| | | <u>Source</u> |
|-----------------------|-------|----------------------|
| Operator Skill: | 0.750 | (AVG.) |
| Material consistency: | 1.100 | (CAT HB) |
| Dozing method: | 1.200 | (SLOT) |
| Visibility: | 1.000 | (AVG.) |

| | | |
|------------------|-------|---------------|
| Job efficiency: | 0.830 | (1 SHIFT/DAY) |
| Spoil pile: | 0.800 | (FND-RF) |
| Push gradient: | 1.225 | (CAT HB) |
| Altitude: | 1.000 | (CAT HB) |
| Material Weight: | 1.438 | (CAT HB) |
| Blade type: | 1.000 | (PAT) |

Net correction: 1.1580

Adjusted unit production: 1,439.63 LCY/hr

Adjusted fleet production: **1439.63** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)

Unit cost: \$0.330/LCY

Total job time: **5.85** Hours

Total job cost: **\$2,778**

REVEGETATION WORKTask description: Vegetate disturbed areaSite: Frentress Gravel PitPermit Action: 2025 SO2Permit/Job#: M2011017PROJECT IDENTIFICATIONTask #: 300State: ColoradoAbbreviation: NoneDate: 12/8/2025County: RouttFilename: M017-300User: BFBAgency or organization name: DRMSFERTILIZINGMaterials

| Description | Units / Acre | Unit | Cost / Unit | Cost /Acre |
|----------------------------|-----------------|-------|---|----------------|
| Potassium nitrate, 13-46-0 | 40.00 | pound | \$0.72 | \$28.68 |
| | | | Total Fertilizer Materials Cost/Acre | \$28.68 |

Application

| Description | Cost /Acre |
|---|----------------|
| Tractor towed spreader (MEANS 32 01 90.13 0120) | \$46.17 |
| Total Fertilizer Application Cost/Acre | \$46.17 |

TILLING

| Description | Cost /Acre |
|--|-----------------|
| Disc harrowing, 6" deep (MEANS 32 91 13.23 6100) | \$114.13 |
| Total Tilling Cost/Acre | \$114.13 |

SEEDING

| Seed Mix | Rate – PLS LBS / Acre | Seeds per SQ. FT | Cost /Acre |
|--------------------------------|--------------------------------|------------------------|-----------------|
| Alfalfa - Common | 8.00 | 38.57 | \$32.69 |
| Smooth Brome - Lincoln | 13.00 | 43.27 | \$64.64 |
| Intermediate Wheatgrass - Rush | 20.00 | 42.70 | \$96.88 |
| Totals Seed Mix | 41.00 | 124.54 | \$194.22 |

Application

| Description | Cost /Acre |
|----------------------------------|------------|
| Drill Seeding (DRMS Survey Cost) | \$242.30 |
| | |

| | |
|---|-----------------|
| Total Seed Application Cost/Acre | \$242.30 |
|---|-----------------|

MULCHING and MISCELLANEOUS**Materials**

| Description | Units / Acre | Unit | Cost / Unit | Cost / Acre |
|--|-------------------------|-------------|--------------------|--------------------|
| Herbicide - 2,4D @ 1.0 pt/ac | 1.00 | ACRE | \$4.44 | \$4.44 |
| Straw, delivered | 2.00 | TON | \$504.56 | \$1,009.12 |
| Total Mulch Materials Cost/Acre | | | | \$1,013.56 |

Application

| Description | Cost / Acre |
|--|--------------------|
| Crimping, with tractor {DMG survey data} | \$239.35 |
| Power mulcher (MEANS 32 91 13.16 0350) | \$141.57 |
| Weed spray, hand, non-aquatic area, nox. [DMG] | \$243.21 |
| Total Mulch Application Cost/Acre | \$624.13 |

NURSERY STOCK PLANTING

| Common Name | No / Acre | Type and Size | Planting Cost | Fertilizer Pellet Cost | Cost / Acre |
|---|----------------------|----------------------|--------------------------|-----------------------------------|--------------------|
| | | | | | \$ |
| Totals Nursery Stock Cost / Acre | | | | | \$0.00 |

JOB TIME AND COST

| | | | |
|----------------------------------|--------------------|--------------|------------|
| No. of Acres: | 9 | Cost /Acre: | \$2,263.19 |
| Estimated Failure Rate: | 25% | Cost /Acre*: | \$436.52 |
| *Selected Replanting Work Items: | SEEDING | | |
| Initial Job Cost: | \$20,368.71 | | |
| Reseeding Job Cost: | \$982.17 | | |
| Total Job Cost: | \$21,351 | | |
| Job Hours: | 9.00 | | |

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mob./Demob. reclamation crew/equipment**Site: **Frentress Gravel Pit**Permit Action: 2025 SO2Permit/Job#: M2011017**PROJECT IDENTIFICATION**

Task #: 400 State: Colorado Abbreviation: None
 Date: 12/8/2025 County: Routt Filename: M017-400
 User: BFB

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: | \$21.47 | \$38.32 | \$48.96 |
| Operating Cost/Hour: | \$31.47 | \$60.11 | \$65.86 |
| Operator Cost/Hour: | \$22.52 | \$22.52 | \$22.52 |
| Helper Cost/Hour: | \$0.00 | \$22.25 | \$22.25 |
| Total Unit Cost/Hour: | \$75.46 | \$143.20 | \$159.59 |

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 D8T - 8SU | 47.71 | \$179.60 | \$143.20 | 1 | \$322.80 | \$143.20 | \$250.00 |
| Drill/Broadcast Seeder with Tractor | 25.00 | \$5.99 | \$75.46 | 1 | \$81.45 | \$75.46 | \$250.00 |
| Power Mulcher (Bowie LD-90) | 6.00 | \$29.91 | \$75.46 | 1 | \$105.37 | \$75.46 | \$250.00 |

Subtotals: **\$509.62** **\$294.12** **\$750.00**

ROADABLE EQUIPMENT:

| Machine Description | Total Cost/hr/ unit | Fleet Size | Haul Trip Cost/hr/ fleet | Return Trip Cost/hr/ fleet |
|--------------------------------------|------------------------|------------|-----------------------------|-------------------------------|
| Light Duty Pickup, 4x4, 1 T. Crew | \$31.11 | 1 | \$31.11 | \$31.11 |

Subtotals: **\$31.11** **\$31.11**

EQUIPMENT HAUL DISTANCE and Time

| | | |
|--|--------|-------|
| Nearest Major City or Town within project area region: | HAYDEN | |
| Total one-way travel distance: | 4.00 | miles |
| Average Travel Speed: | 20.00 | mph |

| | |
|-------------------------------------|------------|
| Total Non-Roadable Mob/Demob Cost * | \$2,840.74 |
| ** two round trips with haul rig: | |
| Total Roadable Mob/Demob Cost ** | \$12.44 |
| ** one round trip, no haul rig: | |

Transportation Cycle Time:

| | Non-Roadable Equipment | Roadable Equipment |
|-------------------------|------------------------|--------------------|
| Haul Time (Hours): | 0.20 | 0.20 |
| Return Time (Hours): | 0.20 | 0.20 |
| Loading Time (Hours): | 0.50 | NA |
| Unloading Time (Hours): | 0.50 | NA |
| Subtotals: | 1.40 | 0.40 |

JOB TIME AND COST

| | | |
|-----------------|------|-------|
| Total job time: | 2.80 | Hours |
|-----------------|------|-------|

| | |
|-----------------|---------|
| Total job cost: | \$2,853 |
|-----------------|---------|