




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: Ragsdale Reservoirs	MINE/PROSPECTING ID#: M-2020-007	MINERAL: Gravel, borrow material for construction, overburden and sand	COUNTY: Weld
INSPECTION TYPE: Surety Release Inspection	WEATHER: Windy	INSP. DATE: December 9, 2025	INSP. TIME: 11:00
OPERATOR: L. G. Everist, Incorporated	OPERATOR REPRESENTATIVE: Lynn Mayer Shults	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Surety Release Requested (SR-1)	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$3,535,000.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Ursula Armstrong	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: December 22, 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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</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>Y</u>	(FW) FISH & WILDLIFE----- <u>N</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>Y</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 was a surety reduction related inspection at Ragsdale Reservoirs (Permit No. M-2020-007) conducted by Ursula Armstrong of the Division of Reclamation, Mining and Safety (Division) in response to a Surety Reduction Request (Revision No. SR-1) filed with the Division on October 20, 2025. The public comment period ended on November 12, 2025. During this period, no comments were received. The Operator, L. G. Everist, Incorporated (LGE), was represented by Lynn Mayer Shults during the inspection. The mine site is located 3.5 miles northwest of Ft. Lupton in Weld County along State Highway 85. Photos 1-17 taken during the inspection are included with this report.

This is a 112c operation with a total permit acreage of 667.97 acres and a maximum allowed affected acreage of 643.3 acres. The permit area is split into two areas separated by State Highway 85 and the Union Pacific Railroad which runs north to south. The west area contains Mining Phases 1, 2 and 3. Slurry walls have been installed around the Phase 1 and 2 mining areas. Mining has commenced in Phase 2. Reclamation in Phase 1 has been completed. A processing plant is constructed in the Phase 3 area. The Division observed trucks entering and leaving the site. Stockpiles of material are stored near the entrance to the site in the Phase 3 area. The east side of the permit area, which is currently undisturbed, contains Phases 4, 5, and 6. The approved post mining land use is developed water resources with upland areas around the reservoirs reclaimed as cropland. The area between the west and east areas of the permit contains fiber optic lines, telephone lines, gas lines, electric lines, Highway 85, and the Union Pacific Railroad tracks. The oil and gas facilities on the west side of Highway 85 have been plugged and abandoned, and the associated pipelines and support facilities have been removed. East of Highway 85 the area is currently being used as an active farm with associated structures, and there are oil and gas facilities present which include four oil/gas wells, three of which are "shut in" meaning they are not presently producing.

The mining plan allows for a sequentially phased mining approach. Topsoil and overburden are stripped and stockpiled for concurrent reclamation. Prior to mining, bentonite slurry walls are installed into bedrock to isolate each phase from surrounding groundwater. Once sealed, phases are dewatered for dry mining of material using excavators and haul trucks. The general direction of mining begins at the south end of each Phase and proceeds to the north. The working face is to be mined near vertically and at the widest point it will be approximately 2,600 feet long. As mining reaches the vertical face setback limits around each Phase, mining will change to a slope mining method to leave the 3H:1V final slope. The mining plan explains that LGE expects no more than 2,600 linear feet of area to need final bank sloping at any one time. The reclamation plan focuses on reclaiming the mine into six to eight developed water storage reservoirs while restoring smaller phases to their original use as irrigated cropland. Reclamation occurs concurrently with mining and the areas between the slurry wall and the reservoir's top-of-slope are left as graveled roads for maintenance and access. Internal reservoir slopes are graded to a stable 3H:1V ratio and bank armored as needed, while areas from the slurry wall to the permit boundary are ripped to alleviate compaction, covered with 6 to 12 inches of salvaged topsoil, and seeded with a native grass mixture of Western Wheatgrass, Big Bluestem, Blue Grama, and Switchgrass. Phase 1A, 4A, 4B, and 5A would be backfilled to pre-mining elevations using overburden and inert materials and reclaimed for agricultural production.

An acreage release (Revision No. AR-1) for 1.95 acres was approved by the Division in July of 2024. AR-1 released 1.95 acres in the southwestern tip of the permit area, in the southeast corner of the Phase 1 area, which was not included in the Weld County Use by Special Review (USR) permit. The undisturbed 1.95-acre segment was released from the permit area to align with the County USR permitted area. The Division pursued an enforcement action with LGE in July 2024 (Infraction No. MV-2024-016) after an inspection and subsequent file review revealed approximately 0.18 acres were affected outside the approved permit boundary for the

installation of the underdrain that runs between the Phase 1 and Phase 2 areas. The permanent underdrain was installed for the landowner, Cannon Land Company, to move groundwater from the east around the slurry wall reservoirs to the South Platte River. A Mined Land Reclamation Board (MLRB) order was sent on November 19, 2024, that required LGE to submit an Amendment Application and obtain approval for the underdrain and extend the permit boundary to encompass the area affected by the installation and operation of the underdrain. LGE submitted the Amendment Application (Revision No. AM-1) on February 13, 2025, and AM-1 was approved on June 20, 2025. AM-1 met all requirements from the MLRB order as well as added additional acreage (7.9 acres) for the future conveyor corridor that will cross over Highway 85 and the Union Pacific Railway. The over highway conveyor will allow for materials mined in Phases 4, 5, and 6 to move to the processing plant in Phase 3 and eliminate the need to move the processing plant. AM-1 in total added 26.62 acres to the permit acreage.

At the time of the inspection, the weather was warm, and the ground was wet from recent snowfall. The site was active during the inspection. A mine identification sign was posted at the entrance in accordance with Rule 3.1.12(1). Mining was active in Phase 2 and the slurry wall installed around the perimeter of the Phase 2 area was working as proposed as no water was seen. The primary focus of the inspection was the completed reclamation in Phase 1 (approximately 62.22 acres). A slurry wall was installed around the perimeter of Phase 1, and the Division of Water Resources (DWR) approved the slurry wall liner leak test on October 8, 2025. The slurry wall is marked with T-posts surrounding the reservoir. The side slopes of the reservoir have been graded to 3H:1V slope, with proper topsoil replacement. All slopes surrounding the reservoir were stable, and no erosional features were observed. Along the western side slopes of the reservoir, closer to the river, the Division saw the approved concrete bank armoring, approximately 12-24" in size, mixed with finer material to fill any voids. The bank armoring was in the approved location and appeared stable. The bank armoring is intended to protect the reservoir banks should a 100-year flood event occur after reclamation. Seeding has been completed on the upper slopes of the reservoir which do not require armoring (from top-of-slope to high water line). Revegetation preparation work and seeding has been completed around the reservoirs, aside from the compacted gravel access road around the perimeter of the reservoir, which will remain for reservoir maintenance. The underdrain installed between Phase 1 and Phase 2 was marked with white plastic piping with red striping and marked in the correct location. The planted vegetation observed was minimal but with the winter weather this was expected. The Phase 1 reclamation was completed in accordance with the approved reclamation plan, however the vegetation was not established enough to be eligible for bond release.

SR-1 requested a surety reduction for the Phase 1 reclamation activities that have been completed. LGE has requested to maintain the currently held total financial warranty amount to use the excess bond amount for future reclamation costs as they plan to mine subsequent phases. Therefore, in accordance with the Operator's request, SR-1 will not have a monetary release associated with it. Following the SR-1 inspection, the Division has calculated the new liability needed to be held for Phase 1 to be in the amount of \$8,448.00 for revegetation costs. Based on the reclamation completed within the Phase 1 area, the Division calculated that \$12,052.00 could be released from the bond. Should LGE decide in the future to request the monetary value back for the Phase 1 reclamation work, they will need to submit a new Surety Reduction Request to the Division. Additionally, with the SR-1 application, the Operator requested DRMS to consider if a complete acreage release of the Phase 1 area would be possible so that Cannon Land Company can begin additional reservoir development work. The Division cannot release an area until it complies with the reclamation plan and meets the revegetation performance standard of Rule 3.1.10. Based on the minimal vegetation growth within the Phase 1 area, the Division would not be able to consider release of the area at this time.

This concludes the report.

Any questions or comments regarding this inspection report should be forwarded to Ursula Armstrong at the

Colorado Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, via telephone at 720-793-3031, or via email at ursula.armstrong@state.co.us.

PHOTOGRAPHS



Photo 1. Mine identification sign posted at entrance.



Photo 2. Standing at the northeast corner of the Phase 1 area, looking south.



Photo 3. Standing at the northwest corner of the Phase 1 area, looking northeast. The bank armoring is in the foreground.



Photo 4. Standing at the northwest corner of the Phase 1 area, looking east. The bank armoring is in the foreground.



Photo 5. Standing at the northwest corner of the Phase 1 area, looking south.



Photo 6. Standing at the northwest corner of the Phase 1 area, looking southeast at the road.



Photo 7. Standing at the northwest corner of the Phase 1 area, looking northwest.



Photo 8. Standing on the road, looking west. The T-post marks the slurry wall.



Photo 9. Standing at the southern tip of the Phase 1 area, looking north.



Photo 10. Standing at the southern tip of the Phase 1 area, looking east.



Photo 11. Standing at the southern tip of the Phase 1 area, looking northwest.



Photo 12. Standing at the southern tip of the Phase 1 area, looking northwest.



Photo 13. Standing at the southern tip of the Phase 1 area, looking north.



Photo 14. Standing at the northeast corner of the Phase 1 area, looking north. The plastic piping with red stripes indicates the underdrain location.



Photo 15. Standing at the northeast corner of the Phase 1 area, looking south at the revegetated area.



Photo 16. Standing at the northeast corner of the Phase 1 area, looking west. The boulders separate the reclaimed area from the active haul road.



Photo 17. Looking north at the active Phase 2 area.

Inspection Contact Address

Lynn Mayer Shults
L. G. Everist, Incorporated
7321 E 88th Ave
Henderson, CO 80640

CC: Jared Ebert, DRMS