

OCT 25 2022

10/20/2022

Arizona State Mine Inspector's Office
Attn: Reclamation Department
1700 West Washington Street
Suite 403
Phoenix, Arizona 85007

Reference: Technically Incomplete Reclamation Plan for Dirt 101 Investment, LLC – Northern Site

See below for the responses to the Technically Incomplete Reclamation Plan for Dirt 101 Investment, LLC – Northern Site.

- Section 3.1-Equipment and Structure Removal [§27-1271(B.5)] -This section states that no equipment used for mining processing is located on the site, but that it is located within another portion of the property and that the mining pit is the only activity on the site. Why are these areas not included in the Plan and what will happen to the areas of the property that contain mining processing operations, roads, stockpiles, etc. after the completion of mining?

Your response stated that sand and gravel crushing and screening is on a portion of the site that has not been mined, is at grade, and will not be mined in the future, and that therefore it is not considered to be an area that needs to be reclaimed.

This is incorrect in that mining operations include not just the mined area, but all areas of disturbance related to the mining operations. This includes roads, stockpile areas, structures, facilities, improvements, equipment, etc. Definitions for mining activities per the regulations are as follows:

Per A.R.S. 27-441: "Aggregate mining" means clearing, covering or moving land using mechanized earth-moving equipment on privately owned property for aggregate development and production purposes, including ancillary aggregate finished product activities. Aggregate mining includes an operation that mixes or recycles rock, sand, gravel or similar aggregate materials with water and cement or with asphalt. Aggregate mining does not include surveying, seismic work, exploration or maintenance activities that create a de minimis land disturbance.

Per R11-3-101, "Mining activity" means any action directly involved in mineral exploration, development, or production at or on an exploration operation or aggregate mining unit.

Per these definitions, sand and gravel crushing and screening was part of the mining operation and those areas are to be included in the Reclamation Plan.

Please revise the Reclamation Plan to include these areas.

- Per the ASMI's request, the Dirt 101 Investment, LLC Mine Reclamation Plan has been updated to incorporate the crushing and screening equipment into the plan, as well as the cost associated with its removal (Sections 3.1 and 5.12 and Cost Tables I and III). The updated pages from the plan have been attached.

If you have any questions or concerns, please contact John Palmer via the contact information below.

Thank you,

A handwritten signature in black ink, appearing to read "J. Palmer". The signature is fluid and cursive, with the first letter "J" being particularly large and stylized.

John Palmer
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Queen Creek, Arizona 85142
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Phone: 602-826-4085

**RECLAMATION AND CLOSURE
PLAN**

STATE MINE INSPECTOR

OCT 25 2022

**DIRT 101 INVESTMENT, LLC
NORTHERN SITE**

S31, T3N, R1E – Maricopa County, Arizona

**SUBMITTED TO THE STATE MINE
INSPECTOR'S OFFICE FOR REVIEW
AND APPROVAL IN ACCORDANCE
WITH ARIZONA REVISED STATUTE
TITLE 27 – CHAPTER 6
STATE MINE INSPECTOR AGGREGATE
MINED LAND RECLAMATION**

Submitted April 14th, 2022

3.0 RECLAMATION

3.1 Equipment and Structure Removal

All equipment used for the mining operation (e.g.: scale house and scale) will remain at the site for post-reclamation land uses.

Currently, there are no concrete slabs, foundations, or other structures that would require demolition upon reclamation. All equipment at the site that is required to be removed upon reclamation is not fixed and is portable, completely roadworthy, and is able to be mobilized to leave the site at any moment.

Any area that may have been contaminated during the mining operations, such as areas around vehicle parking, will be remediated and reclaimed accordingly.

3.2 Roads, Power Lines, Water Lines, and Fences

No paved roads and one dirt road has been constructed exclusively for the mining operations.

The entirety of the site is surrounded by chain link fence for security and safety of the public. No additional fencing will be constructed.

Temporary power lines and water lines that were installed on the property for the mining operation (if necessary) will be removed upon completion of activity. All other electrical will remain with the property to facilitate post-reclamation activities.

3.3 Area Preparation

The approximate 65.6 acres of disturbed area will remain active until the current reserves are depleted. If mining operations end up accessing areas outside of the reserves estimate, an amendment to the plan will be submitted. Currently, mining operations are taking place in 65.6 acres of the site, which comprises the mining operation. In the northern, western and eastern portions of the site, the pit walls are not sloped. In the southern portion of the site, the pit wall is sloped to 2H:1V, which is the angle of repose for material characteristic of the Agua Fria Wash. The material that will be utilized to slope the pit walls will come from stock piles, fines piles and material that has yet to be mined (cut and fill techniques). Taking into consideration an aggregation of the current pit footage that has yet to be properly sloped (4,137 ft.) and an eventual pit depth (60 ft. from base elevation of 1,061 ft.), along with using a common fill dirt calculator, it is determined that 551,692 cu yd. of material needs to be utilized for sloping. Dispersion of the stock and fines piles into the pits for wall reclamation have been included in the cost estimates. No topsoil is present; therefore, no topsoil displacement will be necessary.

5.0 MONITORING

5.1 Table I

PROJECT NAME Queen Creek #3 Pit						
Mining Activity Category	Total Area of Disturbance	Description	Units	Cost Per Unit	Total Units	Estimated Total Cost
Pit Sloping Contouring	Pit Walls/Piles (551,692 yd ³)	Stock Pile Dispersion and Sloping	1-Month Rental	\$4,431	4	\$17,724.00
Pit Seeding				0	\$0	\$0
Process Plants/Parking	Crusher 2 Acres	Removal	Equipment	1	\$14,000	\$14,000
Roads				0	\$0	\$0
Scrap, Trash Removal			N/A	0	\$0	\$0
Settling Ponds				0	\$0	\$0
Security				0	\$0	\$0
TOTAL						\$31,724.00

5.2 Table II

Administration Cost Cost	Initial Hours	Annual Hours	Cost Per Hour	Years	Total
Plan Development	60	0	\$0		\$0
Annual Review	0	1	\$125	10	\$1,250
Monitoring	0	5	\$125	3	\$1,875
Assurance Administrator	0	0	\$0	10	\$0
TOTAL					\$3,125

5.3 Table III

Tables	Total
Table 1	\$31,724.00
Table 2	\$3,125
Total Tables 1 & 2	\$34,849
Contingency and Insurance Cost 10%	\$3,489.90
Total Tables and C/I	\$38,338.90
Total Reclamation Cost	\$38,338.90

5.10 Overburden Berms

There currently are no, and will not be in the future, overburden berms at the facility.

5.11 Calculated Cost to Re-Contour Pit

The approximate 65.6 acres of disturbed area will remain active until the current reserves are depleted. Currently, mining operations are taking place in 65.6 acres of the site, which comprises the mining operation. In the northern, western and eastern portions of the site, the pit walls are not sloped. In the southern portion of the site, the pit wall is sloped to 2H:1V, which is the angle of repose for material characteristic of the Agua Fria Wash. The material that will be utilized to slope the pit walls will come from stock piles, fines piles and material that has yet to be mined (cut and fill techniques). Taking into consideration an aggregation of the current pit footage that has yet to be properly sloped (4,137 ft.) and an eventual pit depth (60 ft. from base elevation of 1,061 ft.), along with using a common fill dirt calculator, it is determined that 551,692 cu yd. of material needs to be utilized for sloping. Dispersion of the stock and fines piles into the pits for wall reclamation have been included in the cost estimates. No topsoil is present; therefore, no topsoil displacement will be necessary.

Taking into consideration an aggregation of the current pit footage that has yet to be properly sloped (4,137 ft.) and an eventual pit depth (60 ft. from base elevation of 1,061 ft.), along with using a common fill dirt calculator, it is determined that 551,692 cu yd. of material needs to be utilized for sloping. Using current rental rates for a 99 horsepower blade truck dozer (as of 3/21/2022), with the determination that a dozer of this size, working 10-12 hours in a shift, can move roughly 5,000 cubic yards of material per day, and that a dozer of this size can be rented for \$4,431 per month (for our purposes, a 4-month rental is required) is equal to the ability to move 600,000 cu yd. of material for pit sloping purposes. This easily encompasses the 551,692 cu yd. of material needed for pit sloping, plus adds a buffer for any unforeseen issues or additional grading that needs to occur. Dispersion of the stock and fines piles into the pits for wall reclamation have been included in the cost estimates.

Total Cost

\$17,724.00

5.12 Calculated Cost to Remove Process Plants

Upon reclamation initiation, the crusher, conveyor belts, screens, and any other portable equipment related to the mining operation will be removed from the site.

Estimates to tear down, load and mobilize all equipment related to crushing, screening and washing activities takes 3 full days working 12 hour days. Consulting a standard labor surcharge and equipment rental rate document from the State of California to come

up with specific tear down and mobilization costs, the following cost estimate was developed:

With a crew that includes one foreman (\$45 per hour) and up to six laborers (\$90 per hour total), tear down and loading of the equipment would occur in 3 days. Special equipment needed to mobilize the equipment includes one loaded heavy haul truck (\$80 per hour), one drop deck trailer for hauling equipment (\$85 per hour) and one crane (\$100 per hour) for disassembly (special equipment costs per hour include the piece of special equipment and an operator), the cost for the complete mobilization of all crushing and screening equipment is \$11,000. \$14,000 has been allotted to this process to include any unforeseen circumstances that adjust the cost upward.

Total Cost
\$14,000

5.13 Calculated Cost to Place Signs and Remove Debris

There is no necessity for signs to be posted or debris to be removed. There will be no expense for reclamation.

Total Cost
\$0

5.14 Parking Area

There currently are no specific parking structures at the facility. There will be no expense for reclamation.

Total Cost
\$0

5.15 Calculated Cost to Reclaim Road

The facility does not feature any paved roads; all roads consist of unimproved dirt and gravel.

Total Cost
\$0