

COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY 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:
Tomichi Pit	M-2013-081	Gravel and sand	Gunnison
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Preoperation Inspection	Bob Oswald	March 27, 2014	13:00
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Gunnison Valley Properties, LLC	L. Richard Bratton	112c - Construction Regular Operation	

REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:
Preoperation Inspection	Complete Bond	(To be finalized)
DATE OF COMPLAINT:	POST INSP. CQNTACTS:	JOINT INSP. AGENCY:
NA	None	None
WEATHER:	INSPECTOR/S/SIGNATURE:	SIGNATURE DATE:
Cloudy	100 Kning	April 16, 2014

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>NA</u>	(FN) FINANCIAL WARRANTY NA	(RD) ROADS <u>NA</u>
(HB) HYDROLOGIC BALANCE NA	(BG) BACKFILL & GRADING NA	(EX) EXPLOSIVES <u>NA</u>
(PW) PROCESSING WASTE/TAILING NA	(SF) PROCESSING FACILITIES NA	(TS) TOPSOIL <u>NA</u>
(MP) GENL MINE PLAN COMPLIANCE- NA	(FW) FISH & WILDLIFE <u>NA</u>	(RV) REVEGETATION <u>NA</u>
(SM) SIGNS AND MARKERS NA	(SP) STORM WATER MGT PLAN NA	(SB) COMPLETE INSP Y
(ES) OVERBURDEN/DEV. WASTE NA	(SC) EROSION/SEDIMENTATION NA	(RS) RECL PLAN/COMP NA
(AT) ACID OR TOXIC MATERIALS NA	(OD) OFF-SITE DAMAGE <u>NA</u>	(ST) STIPULATIONS <u>NA</u>

Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

This was a pre-operation inspection conducted by the Division as part of its review of a new 112 Construction Materials permit application. The operator named on page one was present throughout the inspection. The permit for the site has not been issued, and there was no mining-related disturbance and no activity at the site. The site is level to gently sloping, located in the valley bottom along Tomichi Creek. It is currently a ranch where irrigated hay and pasture exist. The existing farmstead on the property is near the entrance to the proposed permitted area and will be partly within the proposed permitted area. The posted notice required during the permit application period was observed to be posted on the ranch gate at the highway.

There was a thin cover of old snow on most of the proposed permitted area, but sufficient ability to observe the area was still possible. Observations of the site for this inspection were made from the farmstead area and from the highway which overlooks the site.

Since the permit for this site is not yet issued, no permit ID sign or permit boundary markers are required, and none are installed. After permit issuance the operator must ensure that an adequate ID sign at the entrance and sufficient markers are installed to adequately delineate the permit boundary. Please refer to Construction Materials Rule 3.1.12 for more discussion about the requirements for the permit sign and markers.

The site lies on a property that is bordered by Highway 50 on the north, Signal Peak Industrial Park on the east, Tomichi Creek along the south, and more ranch land toward the west. The mining areas will be on the more level, southerly portions of the site, closer to Tomichi Creek and the natural wetlands there. Similar to the existing gravel pits that are located east of this site, shallow groundwater is expected to be encountered here also, and any excavation will result in creation of a pond. Pit margins will be reclaimed to be narrow strips of wetlands for wildlife.

The pits will be dewatered during excavation and pit slope reclamation, and later allowed to fill with groundwater, with ponds being the dominant feature in the reclaimed site. Due to the large area to be occupied by permanent ponds, there will be a large surplus of overburden and topsoil (which will not be needed for reclamation of pond areas). This excess material will be used on the property for construction of permanent visual berms, which are part of the reclamation plan. They will be located along Hwy 50 on the northeast and against the east side fenceline.

The mining plan is phased and will include excavation and stockpiling, plus concrete and/or asphalt batching onsite. The applicant has committed to adequate containment of hydrocarbons and other fluids, as well as monitoring of noxious weeds. All further discussion concerning the application's mining and reclamation plans are in other file documents, and are not included in this report. The bond amount will be finalized soon.

For questions related to this report, please contact this inspector at the Division's Durango Field Office: telephone 970-247-5193, or 303-866-3567 ext 8175.

All written correspondence should be sent directly to the Division's Denver Office: Division of Reclamation, Mining & Safety 1313 Sherman Street, Room 215 Denver, CO 80203

Inspection Contact Address

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Photographs of the inspection are on pages 3 and 4 of this report.

PHOTOGRAPHS









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