




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: Cugnini Gravel Pit	MINE/PROSPECTING ID#: M-1986-061	MINERAL: Sand and gravel	COUNTY: La Plata
INSPECTION TYPE: Monitoring	INSPECTOR(S): Kate A. Pickford	INSP. DATE: March 17, 2014	INSP. TIME: 10:00
OPERATOR: Oldcastle SW Group, Inc. dba Four Corners N	OPERATOR REPRESENTATIVE: Matt Carnahan	TYPE OF OPERATION: 112c - Construction Regular Operation	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$402,013.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: April 17, 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>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>Y</u>	(TS) TOPSOIL----- <u>Y</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>	(SB) COMPLETE INSP---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>

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

OBSERVATIONS

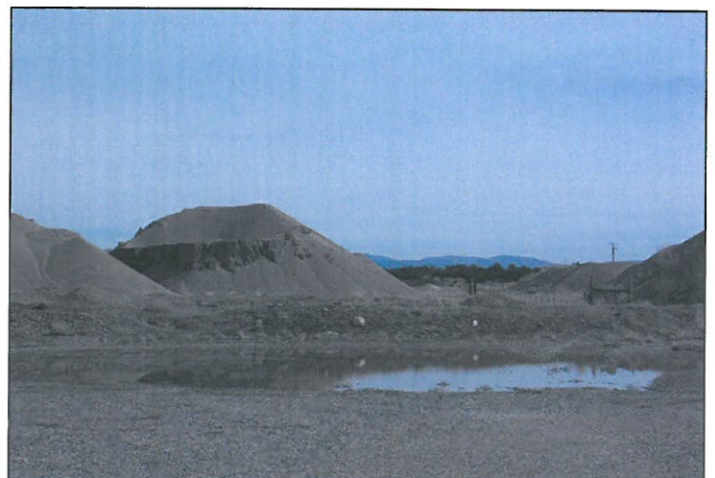
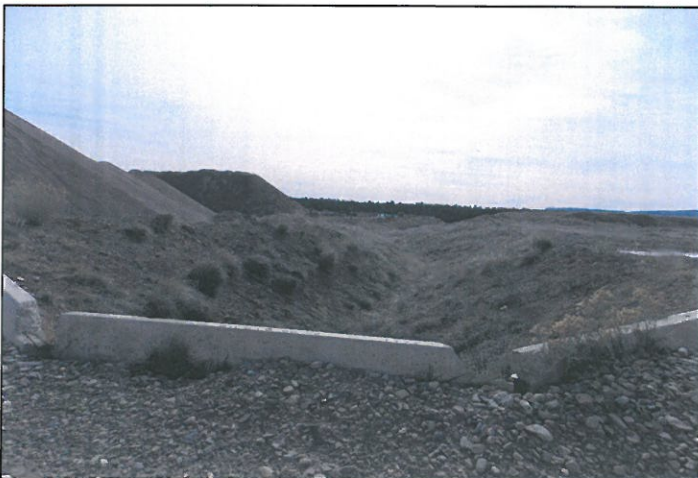
This inspection was conducted as part of the Division of Reclamation, Mining and Safety monitoring program.

The northern part of the permitted area Mining Area 1 has been fully mined out. The pit floor contains numerous stockpiles. There are topsoil stockpiles on the pit floor and above the highwall in places. The pit floor is fairly level. Drainage through the site has been directed to a single channel that is reinforced with concrete barriers.

The operator indicated that he expects the pit will be mined for approximately another 10 years.

As part of this inspection, the required financial warranty was recalculated. The resulting warranty is higher than that currently held by the Division. Information regarding the surety increase is included with this report.

PHOTOGRAPHS



PERMIT #: M-1986-061
INSPECTOR'S INITIALS: KAP
INSPECTION DATE: March 17, 2014

Inspection Contact Address

Matt Carnahan
Oldcastle SW Group, Inc. dba Four Corners Materials
P.O. Box 1969
Bayfield, CO 81122

Enclosure
Surety Increase SI-02