

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:
Yakutat Land Pit	M-2014-008	Sand/gravel/clay	Washington
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Pre-Operation Inspection	Elliott R. Russell	April 11, 2014	10:35
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Washington County	Steve Williams	112c - Construction Regular Operation	

REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:
Pre-Operation Inspection	None	NA
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:
NA	None	None
WEATHER: Clear	INSPECTOR'S SIGNATURE:	SIGNATURE DATE: April 21, 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>NA</u>	(RD) ROADS <u>NA</u>
(HB) HYDROLOGIC BALANCE <u>NA</u>	(BG) BACKFILL & GRADING <u>NA</u>	(EX) EXPLOSIVES <u>NA</u>
(PW) PROCESSING WASTE/TAILING <u>NA</u>	(SF) PROCESSING FACILITIES NA	(TS) TOPSOIL <u>NA</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>NA</u>	(FW) FISH & WILDLIFE <u>NA</u>	(RV) REVEGETATION <u>NA</u>
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN <u>NA</u>	(SB) COMPLETE INSP Y
(ES) OVERBURDEN/DEV. WASTE <u>NA</u>	(SC) EROSION/SEDIMENTATION <u>NA</u>	(RS) RECL PLAN/COMP <u>NA</u>
(AT) ACID OR TOXIC MATERIALS <u>NA</u>	(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-operational inspection conducted by Elliott Russell of the Division of Reclamation, Mining and Safety (Division). Steve Williams of Washington County was present for the inspection. The Yakutat Land Pit is located approximately 5.7 miles northwest of Cope, Colorado.

The 112c application package was received by the Division on February 24, 2014 and deemed complete for purposes of filing on March 6, 2014. The Division sent the Applicant and their consultant a copy of the Division's adequacy review letter on April 4, 2014. The decision due date is June 4, 2014.

At 10:35, the Division and Mr. Williams arrived at the proposed mine site along County Road 11. At the time of the inspection it was sunny and the ground was dry. The required public notice was posted in the southeast corner of the proposed permit boundary along the county road. The permit boundary corners were delineated with either t-posts and/or wood stakes with flags on top of them. The boundary to the pit was fenced on the south side (along the county road) and west side; the Applicant stated that the north and east boundaries would be fenced following the permit approval.

The Yakutat Land Pit will be 21.7 total acres in size. The present and proposed post-mining land use is rangeland, which is consistent with surrounding land. The pit is classified as intermittent, which allows mining to occur less than 180 days per year in any given year. Mining is anticipated to a depth of 20 feet and all mining will be kept above existing groundwater.

There were a few disturbed areas within the permit area as a result of Washington County's exploration permit P-2013-011. These patches were dig holes to determine minable material in the area; these had been regraded and seeded, but yet to establish any vegetation. When the mining permit is issued, the complete reclamation of these areas will no longer be required under the exploration permit and will then be included within the mine's reclamation. There are no other existing disturbances at the site.

Photographs taken during the pre-operational inspection are attached.

Inspection Contact Address Steve Williams Washington County 11920 Co. Rd. CC Anton, CO 80801

PERMIT #: M-2014-008 INSPECTOR'S INITIALS: ERR INSPECTION DATE: April 11, 2014

PHOTOGRAPHS



Public notice posted at the site along CR 11; looking north.



Southeast boundary marker, CR 11 to the left of the photograph; looking northwest towards proposed permit area.



Northeast boundary marker; looking southwest towards proposed permit area.



Northwest boundary marker, permit area to the left of the photograph; looking south.



Southwest boundary marker, CR 11 to the right of the photograph; looking northeast towards proposed permit area.



Typical vegetation photograph from within the proposed permit boundary; looking northeast.