

STATE OF COLORADO

Division of Reclamation, Mining and Safety
Department of Natural Resources
1313 Sherman Street, Room 215
Denver, Colorado 80203-2273

341300000

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DIVISION OF RECLAMATION
MINING AND SAFETY

STEVE WINER
KW ENTERPRISES LLC
91 S. SKY LANE
DURANGO, CO 8

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Forward to: ↙


STEVEN J WINER
KW ENTERPRISES LLC
91 S. SKY LANE CIRCLE
P.O. BOX 2055
DURANGO, CO 81303



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: East Wolf Creek Pit	MINE/PROSPECTING ID#: M-2011-038	MINERAL: Stone	COUNTY: Mineral
INSPECTION TYPE: Monitoring	INSPECTOR(S): Bob Oswald	INSP. DATE: May 30, 2014	INSP. TIME: 14:00
OPERATOR: KW Enterprises LLC	OPERATOR REPRESENTATIVE: None	TYPE OF OPERATION: 111 - Construction by Government Agency	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$4,509.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Cloudy	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: June 6, 2014

The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.

INSPECTION TOPIC: Revegetation

PROBLEM/POSSIBLE VIOLATION: Problem: There are state-listed noxious weeds present on site. This is a problem for failure to employ weed control methods for state listed noxious weed species within the permitted area, and to reduce the spread of weeds to nearby areas as required by Section 3.1.10 (6) of the rule.

CORRECTIVE ACTIONS: Implement approved weed control plan and provide proof to the Division that this has been done. If a weed control plan is not already in place, the operator shall develop a weed control and management plan in accordance with Section 3.1.10 (6) of the Rule. This plan should be developed in consultation with the county extension agency, or weed control district office and should include specific control measures to be applied, a schedule for when control measures will be applied and a post-treatment monitoring plan. This weed control plan shall be submitted to the Division as a Technical Revision to the approved plan with the appropriate Technical Revision fee of \$216.00 by the corrective action date.

CORRECTIVE ACTION DUE DATE: 7/07/14

Problems continue on page 2

INSPECTION TOPIC: Signs & Markers

PROBLEM/POSSIBLE VIOLATION: Problem: The mine identification sign and affected area boundary markers were not observed per the requirements of Rule 3.1.12.

CORRECTIVE ACTIONS: The operator must post a sign at the entrance to the mine site which shall be clearly visible from the access road and specify the following; the name of the operator, indicate that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board, and the permit number. The boundaries of the affected area must be marked by monuments or other markers that are clearly visible and adequate to delineate such boundaries.

CORRECTIVE ACTION DUE DATE: 7/07/14

GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(AR) RECORDS-----	<u>NA</u>	(FN) FINANCIAL WARRANTY-----	<u>Y</u>	(RD) ROADS-----	<u>NA</u>
(HB) HYDROLOGIC BALANCE-----	<u>Y</u>	(BG) BACKFILL & GRADING-----	<u>NA</u>	(EX) EXPLOSIVES-----	<u>NA</u>
(PW) PROCESSING WASTE/TAILING----	<u>NA</u>	(SF) PROCESSING FACILITIES-----	<u>NA</u>	(TS) TOPSOIL-----	<u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>		(FW) FISH & WILDLIFE-----	<u>Y</u>	(RV) REVEGETATION----	<u>PB</u>
(SM) SIGNS AND MARKERS-----	<u>PB</u>	(SP) STORM WATER MGT PLAN----	<u>NA</u>	(SB) COMPLETE INSP----	<u>NA</u>
(ES) OVERBURDEN/DEV. WASTE-----	<u>NA</u>	(SC) EROSION/SEDIMENTATION---	<u>Y</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 routine inspection conducted by the Division as part of its monitoring of Construction Materials 111 permits. The operator was not present during the inspection. The site was not active on the day of the inspection.

Evidence of wildlife noted in the permitted area during the inspection included elk tracks, and sightings of Canada geese and marmot.

The required permit ID sign was not observed posted at the entrance to the permitted area or anywhere else in the permit. The lack of a sign was pointed out to the operator in the last inspection report (inspection date 4/19/13) and the operator was afforded an opportunity to install an adequate permit ID sign before the 2014 inspection. The required sign is still not present and there is no evidence that posting it was attempted. There are no permit boundary markers installed at the boundary corners or along the permit boundary. Due to the lack of the required permit ID sign and boundary markers, the Division has noted a problem in this report (see page 2).

The permit is approved for the removal of pre-mined rock material that is stockpiled on the site in numerous stockpiles in two distinct areas. The approved plan is for the operator to remove this material down to the elevation of the surrounding land, with no below-grade excavation which would result in a pit. The permitted area consists of a western portion and an eastern portion, both of which are easily accessible by existing road. There is still a significant amount of stockpiled material in the permitted area. The western end of the permitted area exhibits the most removal of material, with access ramps dozed up onto the tall stockpiles and the creation of several vertical highwalls. Temporary stabilization and/or final reclamation measures: Mining features in the permit area must be left in a stable condition during periods of inactivity. At the conclusion of the mining stage, if the piled material is not fully removed down to original (pre-stockpile) grade, all stockpile surfaces must be graded down to the acceptable gradient.

Very little if any excavation activity has occurred since the Division's last inspection, and there is no evidence of any reclamation or site maintenance activities being carried out. (Note: The Division is not able to determine whether there has been any reportable activity since the operator has not yet submitted the last annual report, which was due on August 23, 2013. The operator must submit the past annual report and annual fee as soon as possible. For any questions, inquire to the Division's Denver office via the phone number at the top of this report.)

Of the areas within permitted area boundaries where there are no stockpiles of rock, much of the soil surface is populated predominantly by Canada thistle (a state-listed noxious weed) and woolly mullein (an aggressive and persistent non-noxious weed). The presence of these weed species was brought to the operator's attention in the 2013 inspection report, with instructions to treat the Canada thistle as required by law, and encouragement to treat the mullein (so that post-mining reclamation may proceed more easily). Thistle is still very plentiful, and no effective weed control of any kind is apparent. (Again, there is no 2013 annual report to determine whether any treatment was attempted.) Since the noxious weeds are required to be controlled within the permitted area, and they have increased during the year following the Division's 2013 inspection and report, this is now noted as a problem in this report (see page 1).

The current bond amount is \$4,509. The Division will recalculate the bond amount and provide the new figures to the operator. If an increase is indicated, the operator must submit it within 60 days.

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

Steve Winer
KW Enterprises LLC
91 S. Sky Lane Circle
Durango, CO 81303

PHOTOGRAPHS: EASTERN AREA

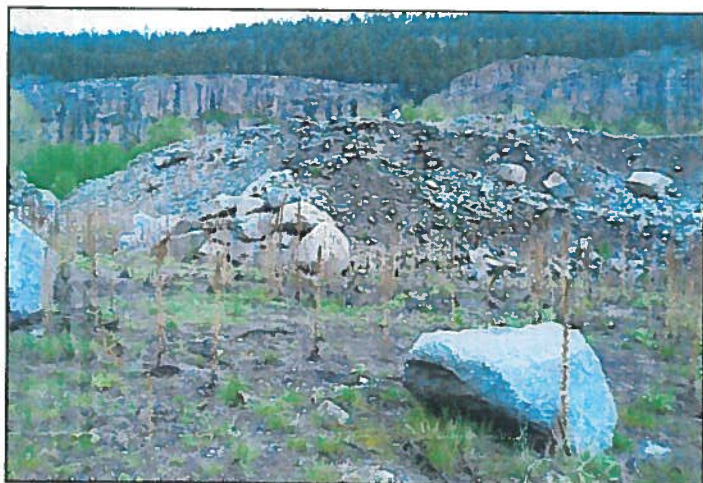


Canada thistle around rock stockpiles (both upper photos)



Mullein and grasses in eastern stockpile area (both lower photos)

PHOTOGRAPHS: WESTERN AREA



Excavation in western stockpile area, note abundance of mullein (both upper photos)



Access ramp in western excavation area



Vertical highwall in western excavation area



Stockpile in western area



Excavation and mullein in western area