



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: ZMK Gravel Pit	MINE/PROSPECTING ID#: M-1991-146	MINERAL: Gravel	COUNTY: Ouray
INSPECTION TYPE: Multi Person Inspection	INSPECTOR(S): Wallace H. Erickson, Lucas West	INSP. DATE: August 5, 2014	INSP. TIME: 13:30
OPERATOR: Sako Excavation, LLC	OPERATOR REPRESENTATIVE: Dick Z, Travis Sackman, Tim Pasic, Bob Larson	TYPE OF OPERATION: 110c - Construction Limited Impact	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Partial Bond	BOND AMOUNT: \$8,151.48	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Cloudy	INSPECTOR'S SIGNATURE: <i>Wallace H. Erickson</i>	SIGNATURE DATE: November 20, 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>N</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>NA</u>
(PW) PROCESSING WASTE/TAILING----- <u>Y</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE----- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</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>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>NA</u>	(SC) EROSION/SEDIMENTATION----- <u>Y</u>	(RS) RECL PLAN/COMP----- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</u>	(OD) OFF-SITE DAMAGE----- <u>Y</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 inspection occurred as part of the Division's routine monitoring program for permitted operations. The ZMK (SAKO) Gravel Pit is approved for 8.72 acres affected lands for the extraction and processing of construction materials. Affected lands will be reclaimed to support industrial/commercial post-mining land use. The Division holds \$8,151.48 financial warranty. This report is accompanied by three photographs.

The operation is located within the active floodplain of the Uncompahgre River. The material extraction and processing areas are separated from the low-flow channel by a historic flood protection levee. The flood protection levee predates the permit. The Operator is authorized to breach an upstream portion of the levee during high flow season and thereby allow the river to enter the extraction area, deposit its bedload, and recharge the extraction area. After high flow season has passed the Operator restores the levee at its approximate original alignment, replacing all flow to the main (low-flow) channel.

As shown in the photographs, the flood protection levee was intact and the river was confined to its main channel. Ouray County trucks were delivering alluvial materials from a flood repair project at Corbit Creek. The Operator indicated he had an agreement with Ouray County to receive alluvial materials from various flood repair projects conducted by Ouray County. The Operator sorts and processes the raw materials to produce a useful product, which is provided to the county in trade for the raw materials. The imported materials are not utilized as structural fill for the pit area and appear exempt from the reporting requirements of Rule 3.1.5(9).

The mining and reclamation activities were confined within the approved permit boundary and appeared compliant with conditions of the approved permit and the Act and Rules. No problems or possible violations were observed.

Inspection Contact Address

Travis Sackman
Sako Excavation, LLC
342 7th Ave
Ouray, CO 81427

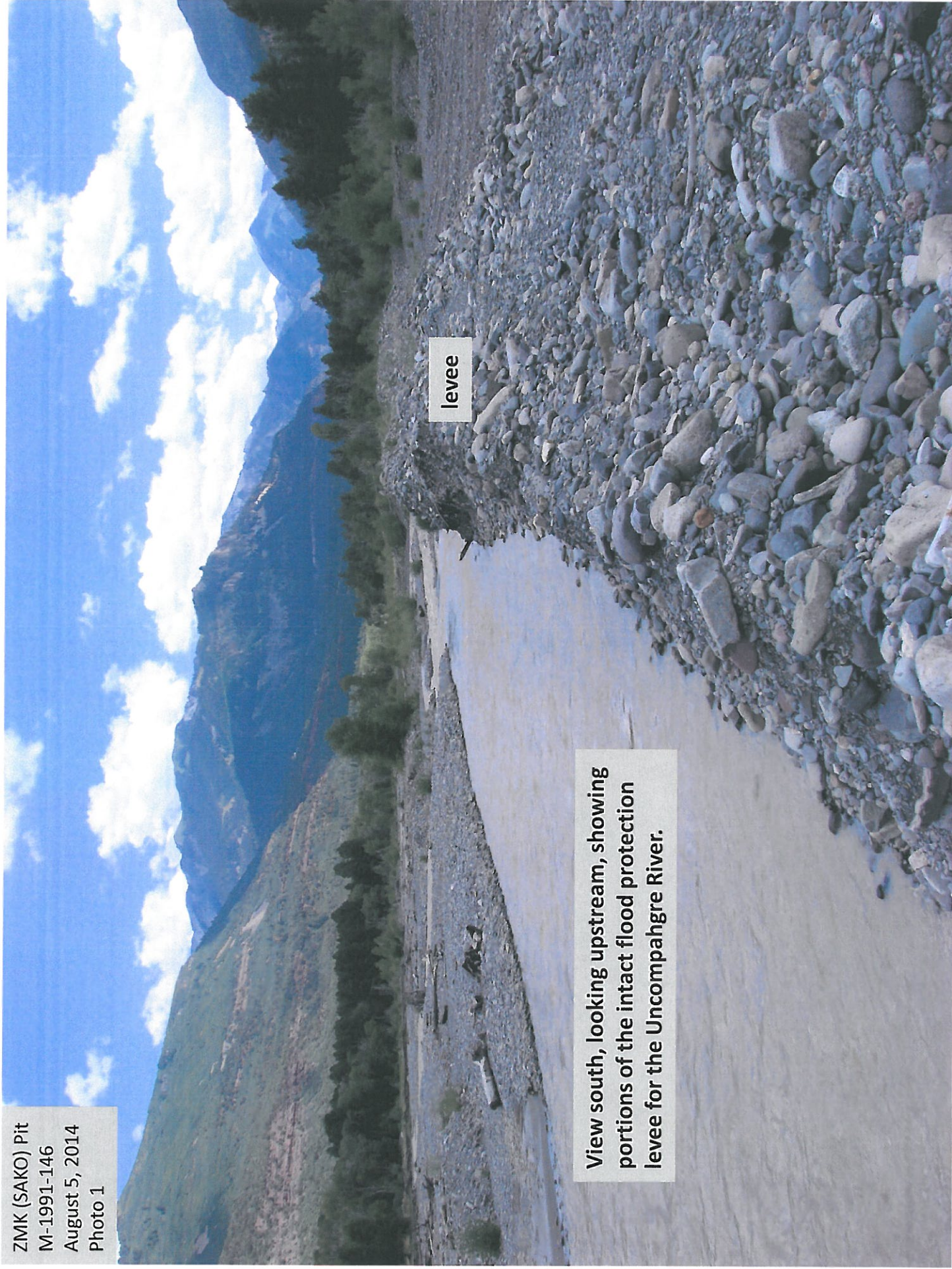
Enclosure: three photographs

ec w/enclosure: Bob Larson, larsouray@gwestoffice.net
 Tim Pasic, timapasek@yahoo.com
 Russ Means, DRMS GJFO

ZMK (SAKO) Pit
M-1991-146
August 5, 2014
Photo 1

View south, looking upstream, showing
portions of the intact flood protection
levee for the Uncompahgre River.

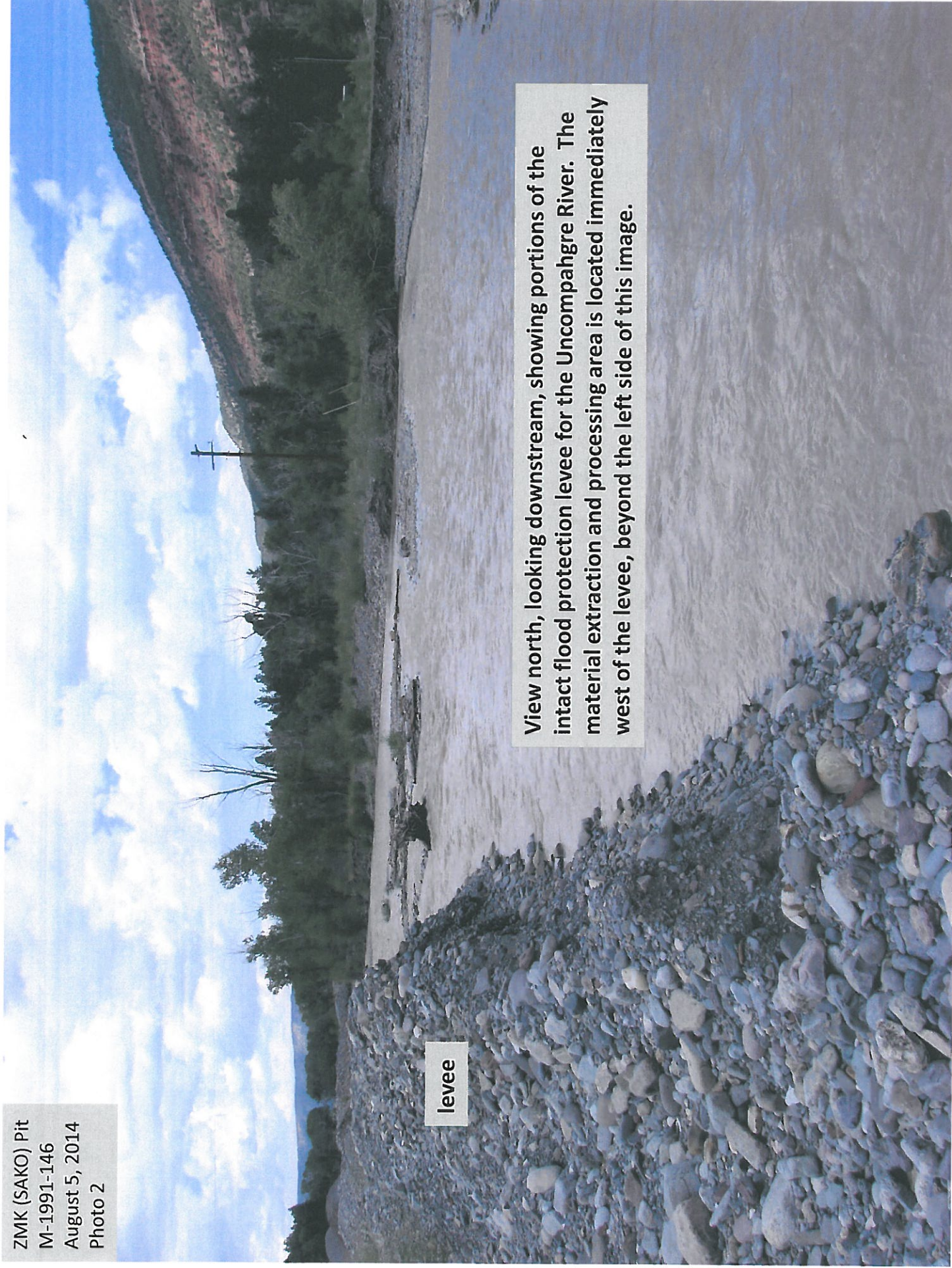
levee



ZMK (SAKO) Pit
M-1991-146
August 5, 2014
Photo 2

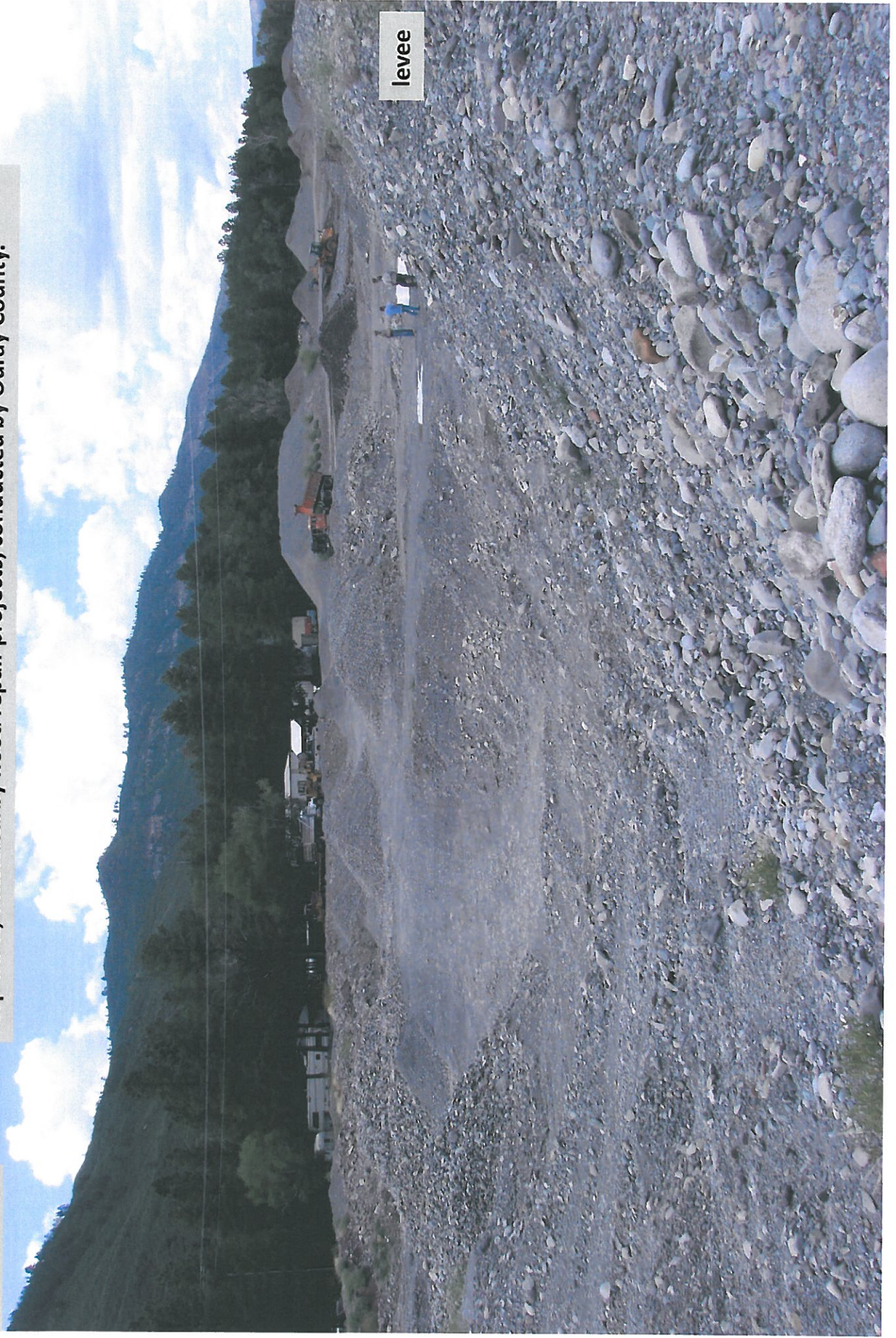
levee

View north, looking downstream, showing portions of the intact flood protection levee for the Uncompahgre River. The material extraction and processing area is located immediately west of the levee, beyond the left side of this image.



ZMK (SAKO) Pit
M-1991-146
August 5, 2014
Photo 3

View north, taken from the approximate location of Photo 2, showing portions of the material extraction and processing area. Alluvial materials were being imported, from nearby flood repair projects, conducted by Ouray County.



levee