




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: Pit No 1	MINE/PROSPECTING ID#: M-1977-020	MINERAL: Sand and gravel	COUNTY: Delta
INSPECTION TYPE: Monitoring	INSPECTOR(S): Dustin M. Czaplá	INSP. DATE: November 14, 2014	INSP. TIME: 10:00
OPERATOR: Keys Blue Haven LLC	OPERATOR REPRESENTATIVE: Bill St. James	TYPE OF OPERATION: 112c - Construction Regular Operation	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$83,133.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Cloudy	INSPECTOR'S SIGNATURE: 	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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>N</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>N</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>N</u>	(RS) RECL PLAN/COMP-- <u>N</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's (Division) normal monitoring program. Bill St. James and Brian Wells (reclamation contractor), representing the Operator, were present during this inspection. Mr. St. James requested the inspection in order to clarify reclamation requirements. Photographs are included with this report in order to illustrate some of the conditions observed.

The Pit No. 1 site is located on the north side of Delta and accessed from Hwy 92. The site is a 112c operation that includes a total of 58.44 permitted acres. The Division currently holds a financial warranty amount of \$83,133.00 for this site. Mr. St. James assumed the permit and reclamation liability on May 10, 2013. The site is in final reclamation. The approved post-mine land use is for recreation and wildlife habitat.

The reclamation plan includes three separate lakes.

Northeast lake

Grading appears adequate and the banks are well vegetated, although there is a heavy infestation of tamarisk and Russian olive. Remaining reclamation in this area consists of weed control and vegetation of the access road areas.

Southeast lake

Grading appears adequate and the banks are mostly well vegetated, although there is a heavy infestation of tamarisk and Russian olive. Remaining reclamation in this area consists of weed control and vegetation of the access road areas and the west and south slopes.

West lake

Slopes below the water line appeared to be adequately graded. Several areas of the banks above water line, along the north and east banks, will require additional grading to reduce the slopes to the required grade 3H:1V grade. Most of the south and east bank will require slope reduction. Tamarisk and Russian olive have infested this area as well.

Responses to this inspection report should be directed to Dustin Czapla at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 South 3rd Street, Room 301, Grand Junction, Colorado 81501, phone number (970) 243-6299.

Inspection Contact Address

Bill St. James
Keys Blue Haven LLC
P.O. Box 948156
Maitland, FL 32794

PHOTOGRAPHS



Figure 1: Northeast lake from west side



Figure 2: Northeast lake from west side



Figure 3: North bank of the southeast lake from northwest corner



Figure 4: West bank of the southeast lake from northwest corner



Figure 5: West bank of the southeast lake from southwest corner



Figure 6: South bank of the southeast lake from southwest corner



Figure 7: View from north bank of the west lake, facing west



Figure 8: View from north bank of the west lake, facing east



Figure 9: View from the northeast corner of the west lake, facing south



Figure 10: View from the northeast corner of the west lake, facing west



Figure 11: View from the south side of the west lake, facing west