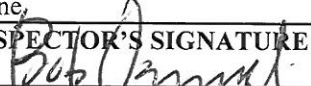




COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY
MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

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: Lob Lolly Pit	MINE/PROSPECTING ID#: M-2013-066	MINERAL: Borrow material	COUNTY: Archuleta
INSPECTION TYPE: Monitoring	INSPECTOR(S): Bob Oswald	INSP. DATE: February 17, 2015	INSP. TIME: 08:45
OPERATOR: Arboles Sand & Stone, LLC	OPERATOR REPRESENTATIVE: Steve Wright	TYPE OF OPERATION: 112c - Construction Regular Operation	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$46,828.32
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: March 2, 2015

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>NA</u>	(FN) FINANCIAL WARRANTY----- <u>N</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>NA</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>NA</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>NA</u>	(SB) COMPLETE INSP---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</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>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 112c permits, and in response to the operator's request for an inspection to discuss current earthmoving activity. The operator named on page one was present throughout the inspection. In addition to the operator, also present during the inspection was Daryl Couch of Crossfire Aggregate. The site was active on the day of the inspection.

The required permit ID sign was observed posted at the entrance to the permitted area. [Note: the permit number on the sign is for a previous permit that was at the site. The operator must or replace the permit ID sign to reflect the correct permit number.] Permit boundary markers were installed along the permit boundary, which in most places was a fenceline.

All current activity is adjacent to the pond in the eastern portion of the site. The pond area has been defined, and further excavation in this part of the permit will not enlarge the pond surface. The operator wishes to remove a thick layer of overburden on the west and north sides of the pond, in order to expose and excavate the underlying aggregate, and then backfill that excavated area with the excavated overburden. There is no shortage of overburden in the permitted area, and it was agreed that this deeper excavation followed by backfilling up to the grade of the land surrounding the pond is in compliance with the mining plan. Some additional overburden is being moved to a location on the north side of the pond, in order to create a higher bench for the eventual placement of a building there. All slopes will still conform to the details of the approved reclamation plan.

The operator also wishes to change the elevation of reclaimed strip of land lying along the south side of the pond. It was graded, topsoiled and mulched as a level surface at the same elevation as the adjoining field to the south. The operator wishes to construct a permanent berm across the south side, for visual and noise mitigation, by placing excess overburden there. It will be graded to 3:1, topsoiled, seeded and mulched as the reclamation plan requires. This is also a minor change to the grading plan, but is in conformance with the overall specs of the reclamation plan, so it does not require a revision and it is not a problem. The operator is reminded that the slope gradients must not exceed the limits in the reclamation plan, sediment must not pass outside the permit boundary (please use sediment controls), and topsoil protection must be ensured through prompt seeding and weed control.

The excavation of aggregate is proceeding westward, and as the western river terrace is excavated and processed, the lower-elevation area (level with the land around the pond) is expanding. Topsoil is being salvaged and is stockpiled, or replaced wherever possible. The upper processing and stockpile area on the west is not yet disturbed by excavation. The operation is being carried out in an orderly manner. There is no disturbance to the separate, northern portion of the permitted area.

The operator stated that noxious weed control is being carried out in an effective manner, and that the thistle patch noted previously is being controlled.

There were no problems noted at this time. This office appreciates the operator requesting an inspection and onsite discussion of the current earthmoving. 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 Wright
Arboles Sand & Stone, LLC
12577 Highway 151
Pagosa Springs, CO 81147

Photographs from the inspection are below and on the following page.

PHOTOGRAPHS



PHOTOGRAPHS

