




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: Peroulis Brothers Snake River Pit	MINE/PROSPECTING ID#: M-2009-079	MINERAL: Gravel and sand	COUNTY: Moffat
INSPECTION TYPE: Monitoring	INSPECTOR(S): Amy C. Yeldell	INSP. DATE: August 4, 2015	INSP. TIME: 14:00
OPERATOR: Precision Excavating, Inc.	OPERATOR REPRESENTATIVE: David Zehner	TYPE OF OPERATION: 112c - Construction Regular Operation	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$145,000.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Windy	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: August 21, 2015

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: Gen. Compliance With Mine Plan

PROBLEM/POSSIBLE VIOLATION: Problem: Rule 1.13.5 states, if an Operator temporarily ceases production of the mining operation for one hundred eighty (180) days or more, the Operator must file a Notice of Temporary Cessation in writing to the Office.

CORRECTIVE ACTIONS: The Division recommends the Operator file for Temporary Cessation. The start date of the initial 5 year Temporary Cessation period is retroactive to the last date the pit was active. If that date is more than 5 years ago, the operator is required ask the Board for a 5 year extension to the Temporary Cessation period (per rule 1.13.5 (3) and 1.13.8 (b) or begin reclamation.

CORRECTIVE ACTION DUE DATE: 11/15/15

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: 10/15/15

OBSERVATIONS

This inspection was conducted as part of the Colorado Division of Reclamation, Mining and Safety normal monitoring program. The Peroulis Brothers Snake River Pit is a 112c permitted site that includes a total of 101 permitted acres of which approximately 16.4 acres of the allowed 35 acre max is currently disturbed. It is located approximately 39 miles northeast of Craig and is accessed from Moffat County Road 21. David Zehner represented Precision Excavating, Inc. and accompanied Amy Yeldell of the Division on the inspection.

The mine identification sign and affected area boundary markers are in place and in compliance with Rule 3.1.12. The sign is located at the entrance of the permit boundary and the pit entrance is secured with a locked gate. T-posts have been placed to delineate permit boundaries. It is noted that it was extremely difficult to see the t-posts. It may benefit the operator to paint them a florescent color and add t-post more frequently to make delineation easier.

The site is currently not active. No equipment or fuel is stored on site. A load scale with cement footers and small office are present on site. Several large piles of stockpiled material are also present. All slopes are no steeper than a 2:1.

Per previously submitted annual reports and conversations with the operator, significant mining activity has not occurred since 2011. Though the selling of stockpiled material does constitute as "mining operations" per rule 1.1 (26) the Division does not feel it is at a threshold to truly be considered actively mining. As a result this is cited as a problem on page one of the inspection report. The operator shall place the permit into Temporary Cessation (TC) per rule 1.13. Attached to this report is 'Temporary Cessation Notice' form. In an effort to accommodate the operator while under TC if small limited sales occur the operator may do so without coming out of TC. However if at any time in the five year period sales of stockpiled material or mining increase to the threshold of actively mining the operator will submit notice to the Division that operations have resumed and the site is effectively coming out of TC.

The topsoil and overburden piles have been salvaged. Native desirable vegetation is present, but at minimal density in disturbed areas. The landowner's cows actively roam and graze throughout permit boundary potentially hindering reclamation success. To date only the southeast portion (phase 1 and 2) have been disturbed. In general the site is stable with no evidence of erosion or other stormwater management issues.

Due to extensive inactivity and lack of reclamation success weed populations have thrived. This is cited as a problem on page one of the inspection report. The operator should coordinate with the county's weed manager (Cc'd on this report) to develop a plan that addresses controlling cheatgrass, Russian Thistle and Halgeton to protect the surrounding areas and improve reclamation success. Please submit a weed management plan in the form of a technical revision. The 'Request for technical Revision (TR) Cover Sheet' is attached to this report.

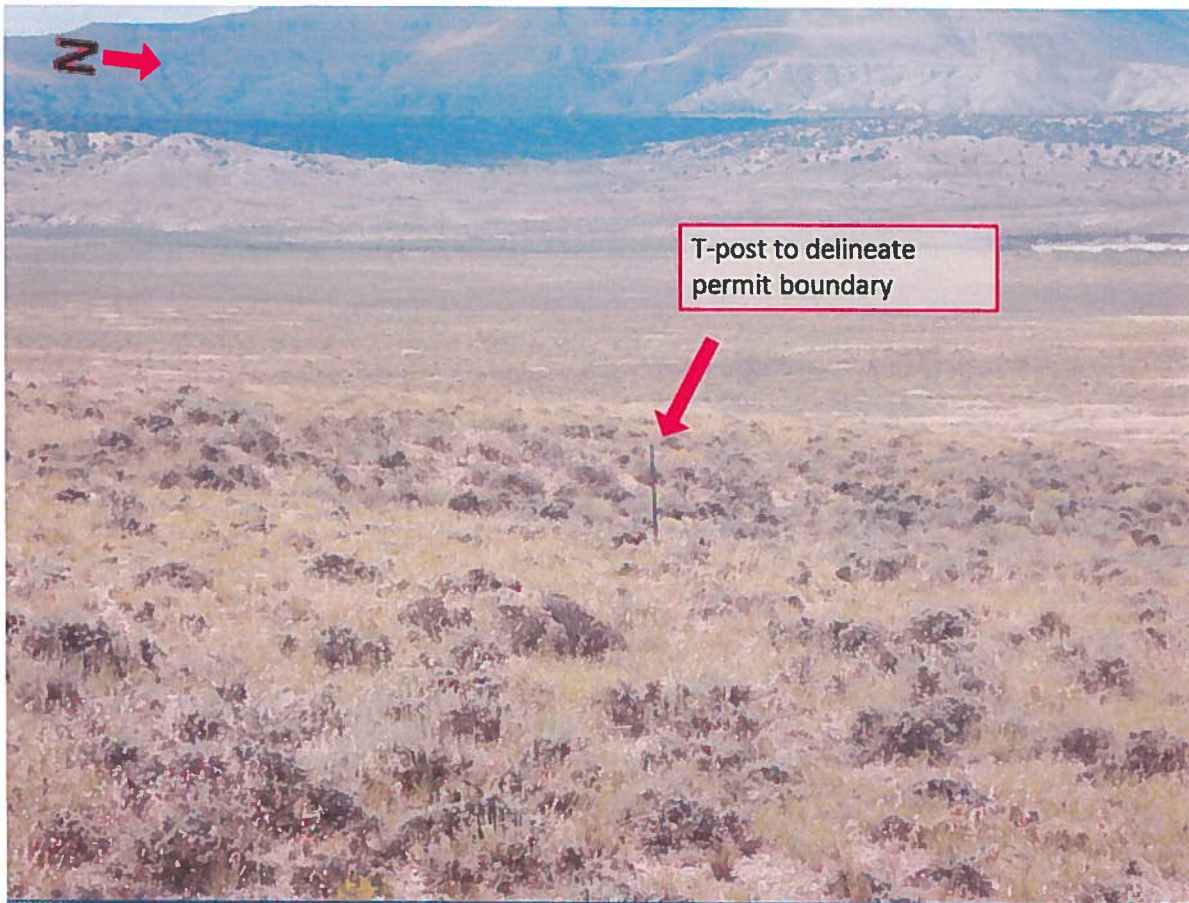
In an effort to ensure the Financial Warranty adequately, reflects the actual current cost of fulfilling the requirements of the approved reclamation plan the Division will be updating the reclamation cost estimate. A copy of the staff calculations will be sent under separate cover.

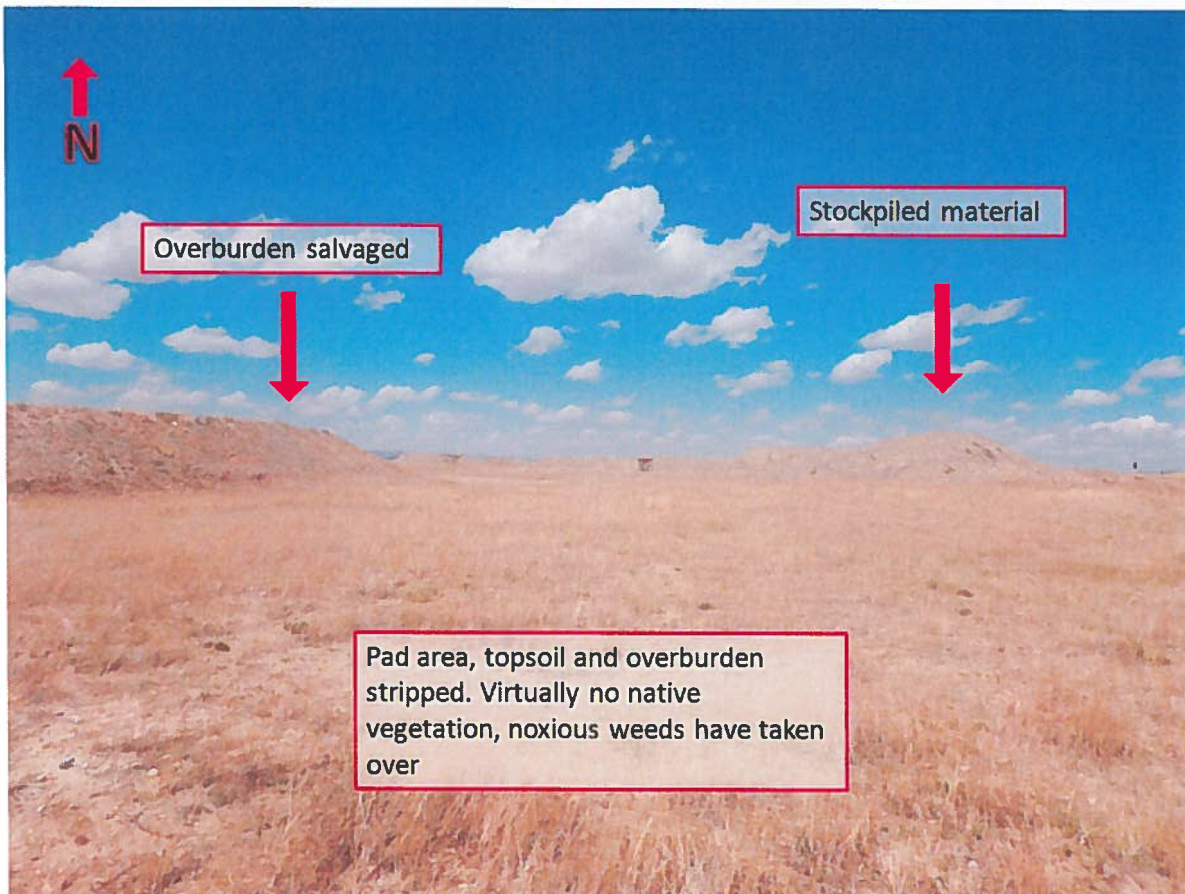
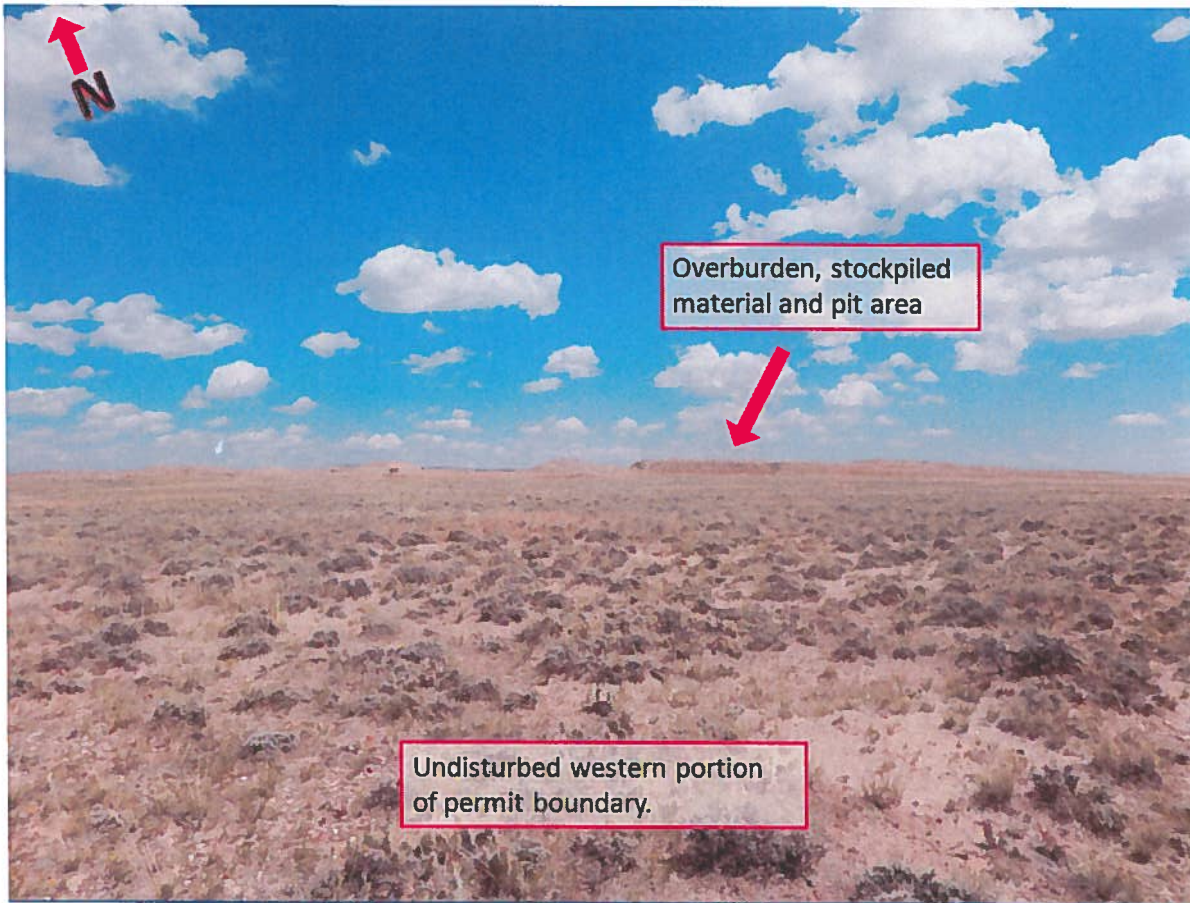
Responses to this inspection report should be directed to: Amy Yeldell at the Division of Reclamation, Mining

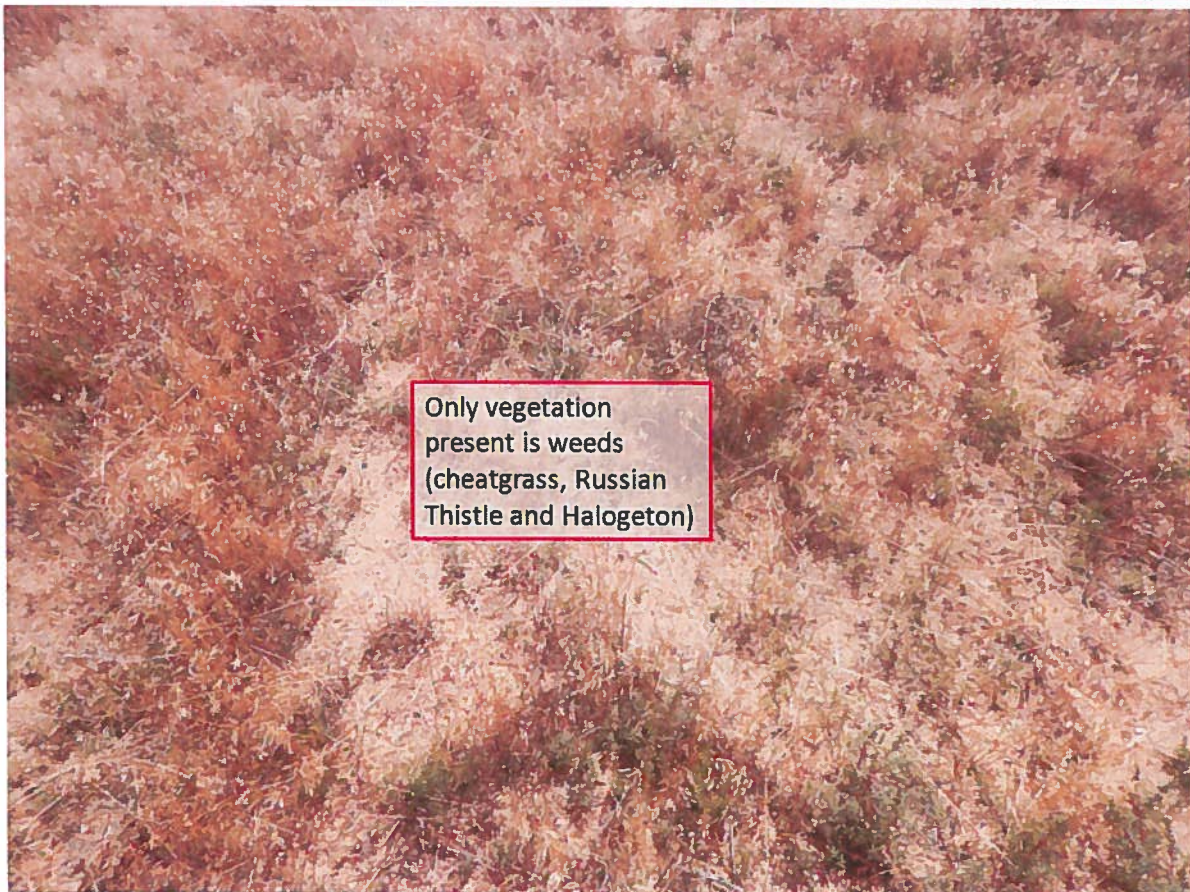
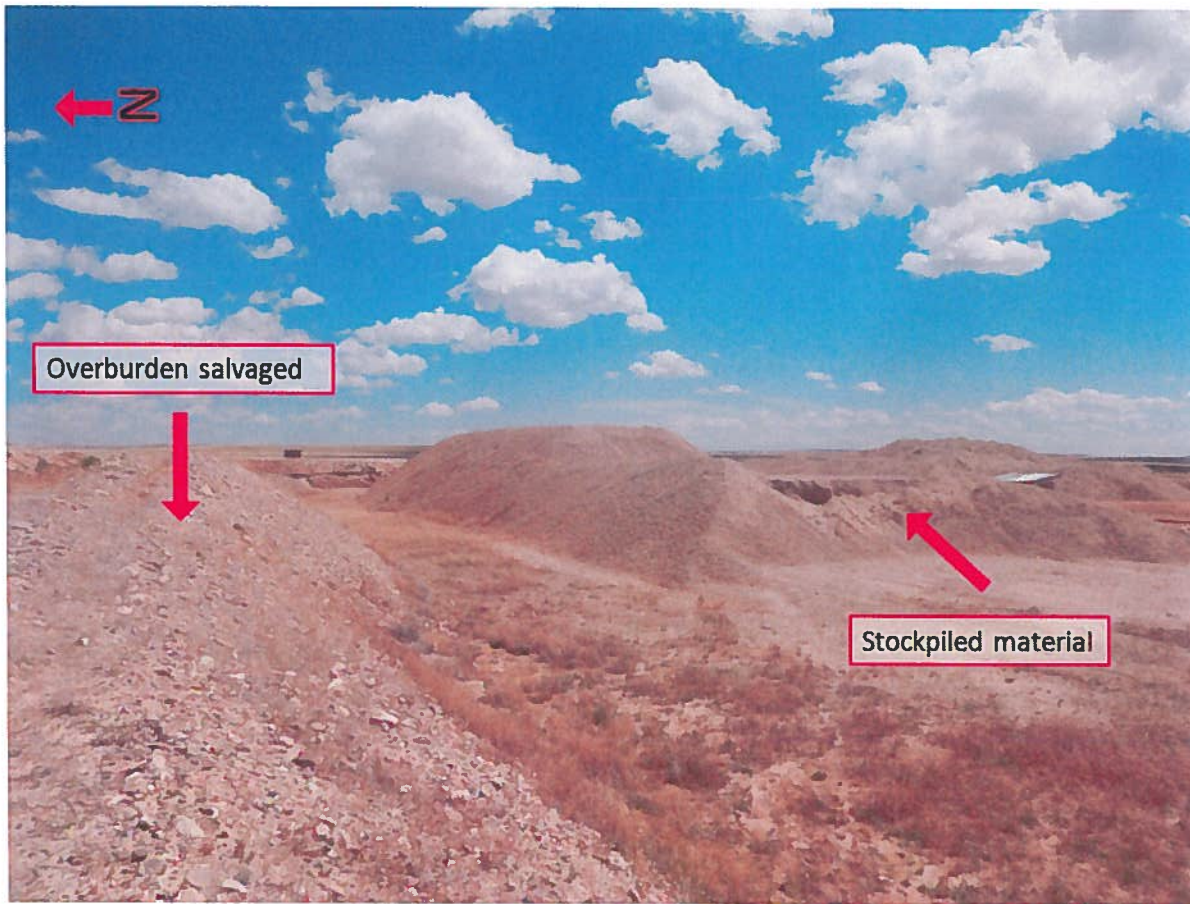
and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 970-254-8511 or via email at amy.yeldell@state.co.us

PHOTOGRAPHS









GENERAL INSPECTION TOPICS

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

(AR) RECORDS----- <u>N</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>PB</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>PB</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SW) STORM WATER MGT PLAN---- <u>Y</u>	(CI) COMPLETE INSP---- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION-- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>NA</u>	(OD) OFF-SITE DAMAGE----- <u>N</u>	(ST) STIPULATIONS----- <u>Y</u>

Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

Inspection Contact Address

David Zehner
Precision Excavating, Inc.
195 W. Jefferson
Hayden, CO 81639

Enclosure

CC:

Russ Means, Senior EPS / Field Office Supervisor, Grand Junction DRMS
Gary Brannan, Moffat County Weed Manager, 539 Barclay Street, Craig, CO 81625, Phone: 970 824-9180



COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY

1313 Sherman Street, Room 215, Denver, Colorado 80203 ph(303) 866-3567

REQUEST FOR TECHNICAL REVISION (TR) COVER SHEET

File No.: M- _____ Site Name: _____

County _____ TR# _____ (DRMS Use only)

Permittee: _____

Operator (If Other than Permittee): _____

Permittee Representative: _____

Please provide a brief description of the proposed revision: _____

As defined by the Minerals Rules, a Technical Revision (TR) is: "a change in the permit or application which does not have more than a minor effect upon the approved or proposed Reclamation or Environmental Protection Plan." The Division is charged with determining if the revision as submitted meets this definition. If the Division determines that the proposed revision is beyond the scope of a TR, the Division may require the submittal of a permit amendment to make the required or desired changes to the permit.

The request for a TR is not considered "filed for review" until the appropriate fee is received by the Division (as listed below by permit type). Please submit the appropriate fee with your request to expedite the review process. After the TR is submitted with the appropriate fee, the Division will determine if it is approvable within 30 days. If the Division requires additional information to approve a TR, you will be notified of specific deficiencies that will need to be addressed. If at the end of the 30 day review period there are still outstanding deficiencies, the Division must deny the TR unless the permittee requests additional time, in writing, to provide the required information.

There is no pre-defined format for the submittal of a TR; however, it is up to the permittee to provide sufficient information to the Division to approve the TR request, including updated mining and reclamation plan maps that accurately depict the changes proposed in the requested TR.

Required Fees for Technical Revision by Permit Type - Please mark the correct fee and submit it with your request for a Technical Revision.

<u>Permit Type</u>	<u>Required TR Fee</u>	<u>Submitted</u> (mark only one)
110c, 111, 112 construction materials, and 112 quarries	\$216	<input checked="" type="checkbox"/>
112 hard rock (not DMO)	\$175	<input type="checkbox"/>
110d, 112d(1, 2 or 3)	\$1006	<input type="checkbox"/>



COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY

1313 Sherman Street, Room 215, Denver, Colorado 80203 Phone (303) 866-3567

TEMPORARY CESSATION NOTICE

(mining activities temporarily cease for more than a one-year period)

Today's date: _____

Permit number: M- _____ Site name: _____

County: _____ TC number: _____ (DRMS use only)

Permittee making request: _____

Operator (if other than permittee): _____

Date the initial five-year period of Temporary Cessation begins: _____

Reason mining activities (materials extraction, processing, hauling) have ceased:

Description of plan to resume operations:

Description of plan to meet performance standards of Rule 3.1 during temporary cessation (reclamation, weed control, monitoring, signs, markers, etc.):

Number of affected acres: _____

Amount of financial warranty (bond) on deposit with the state: \$ _____

Required fees for Temporary Cessation by permit type (please mark the correct fee and submit it with this request for Temporary Cessation):

<u>Permit type</u>	<u>Required TR fee</u>	<u>Submitted (mark only one)</u>
Construction Materials	\$144	<input checked="" type="checkbox"/>
Hard Rock/ Metal Mining	\$115	<input type="checkbox"/>

The above-referenced permit has entered Temporary Cessation. This site has reserves remaining to be mined.

Operator's signature: _____

Please note:

1. While in Temporary Cessation, the operator must continue to comply with the Rules and Act, including maintaining the site, and must continue to file an annual report and annual fee.