

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:	MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
Bunn Ranch Pit	M-1980-131	Sand and gravel	Moffat
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring	Amy C. Yeldell	September 9, 2015	13:00
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Elam Construction, Inc.	Jon Muller	112c - Construction Regular Operation	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$158,355.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE:	SIGNATURE DATE: September 16, 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>Y</u>	(FN) FINANCIAL WARRANTY Y	(RD) ROADS <u>Y</u>
(HB) HYDROLOGIC BALANCE <u>Y</u>	(BG) BACKFILL & GRADING <u>Y</u>	(EX) EXPLOSIVES NA
(PW) PROCESSING WASTE/TAILING Y	(SF) PROCESSING FACILITIES \underline{Y}	(TS) TOPSOIL \underline{Y}
(MP) GENL MINE PLAN COMPLIANCE- Y	(FW) FISH & WILDLIFE \underline{Y}	(RV) REVEGETATION Y
(SM) SIGNS AND MARKERS <u>Y</u>	(SW) STORM WATER MGT PLAN N	(CI) COMPLETE INSP Y
(ES) OVERBURDEN/DEV. WASTE N	(SC) EROSION/SEDIMENTATION \underline{Y}	(RS) RECL PLAN/COMP <u>Y</u>
(AT) ACID OR TOXIC MATERIALS Y	(OD) OFF-SITE DAMAGE <u>N</u>	(ST) STIPULATIONS \underline{Y}

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 Colorado Division of Reclamation, Mining and Safety normal monitoring program. The Bunn Ranch Pit is a 112c permitted site that includes a total of 133 permitted acres with a max disturbance of 50 acres. It is accessed from a private drive off of East 1st Street in Craig. Jon Muller represented Elam Construction, 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 north entrance of the permit boundary.

The site is currently operational. Mining is occurring between the Ana Branch and the Yampa River. Areas adjacent to the river and canal have undisturbed buffer zones of various sizes. A permeant scale, scale house and office are located towards the entrance of the pit.

The site consists of several large reclaimed ponds. They all have the proper sloping and are stabilized well with native vegetation. Several of the ponds are releasable if the operator no longer needs access to those areas. It's noted that one drives through several of these corridors to access other areas of the Bunn Ranch pit as well as The Gehrman Pit also permitted by the operator. Some small infestations of tamarisk and Russian olive were observed and the operator is aware of the ongoing battle.

There are several processing areas throughout the site such as a crusher plant, screener plant, wash plant, mixer (cement) and hot asphalt plant. This pit processes material from the nearby Gehrman Pit as well. Several fuel tanks of various sizes are in secondary containment. A water truck fills from one of the ponds and sprays water for dust suppression. There are several large piles of stockpiled material, all of which are stable and well organized.

The inspector was able to observe the wetland mitigation area currently being addressed through TR-3. This project is being done in conjunction with the EPA. The entire area is surrounded by a 10 ft. tall wildlife fence to help increase reclamation success. There is a small pond in the middle. Three zones of seeding have been established (riparian, mid transition and dry upland). Revegetation around the pond has done very well, native volunteer and seeded species are thriving. Revegetation success diminishes as the distance from the pond increase. Willow cutting for the most part did not take as they were place too high. Failure is also likely the result of poor seeding methods as indicated by Jon Muller. Staff observed inconsistent mulching applications and a lack of proper crimping resulting in an ineffective use of the material. There is some annual weed infestation. The operator plants to try seeding again this fall as well as resume weed treatments in this area. Three monitoring wells have been installed to observe if groundwater conditions are representative of a wetland area.

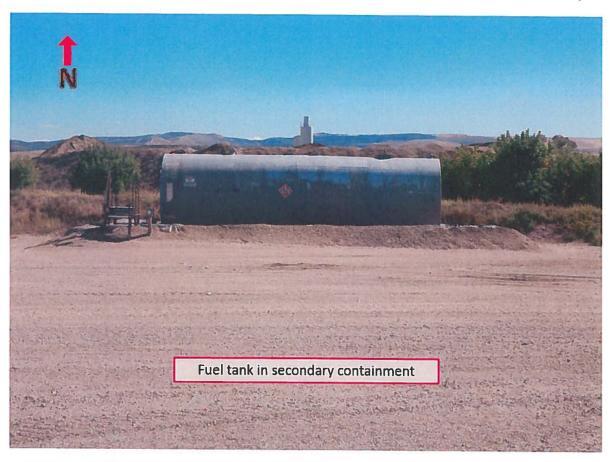
No problems were noted during this inspection.

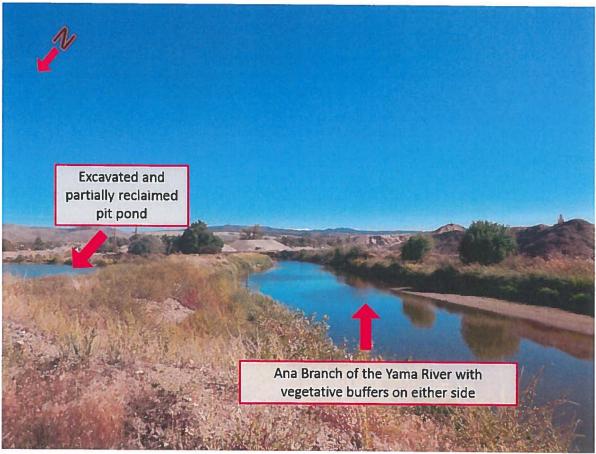
In an effort to ensure the Financial Warranty adequately, reflects the actual current cost of fulfilling the requirements of the approved reclamation plan the Division will be updating the reclamation cost estimate.

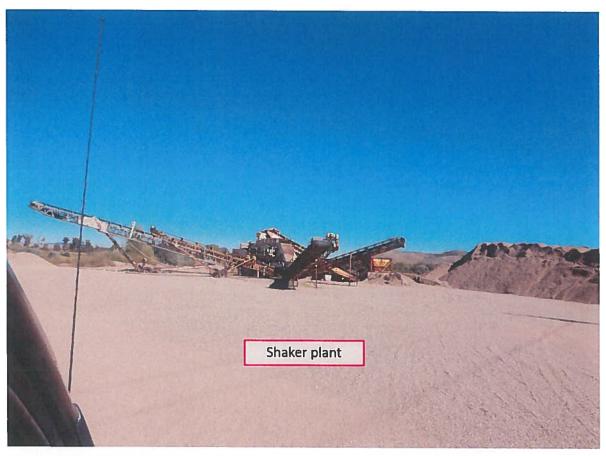
Responses to this inspection report should be directed to: Amy Yeldell at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 970-254-8511 or via email at amy.yeldell@state.co.us

PHOTOGRAPHS

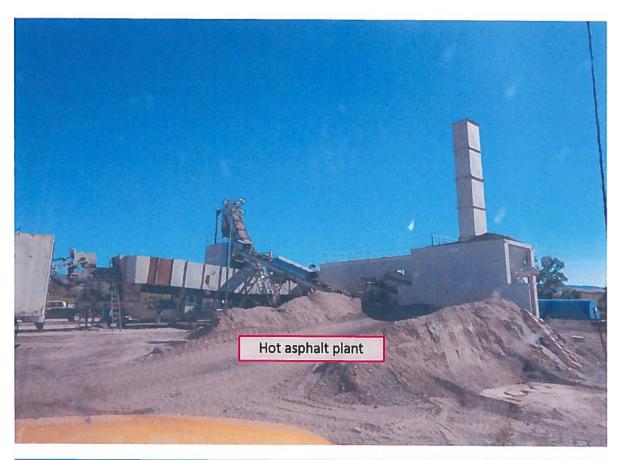


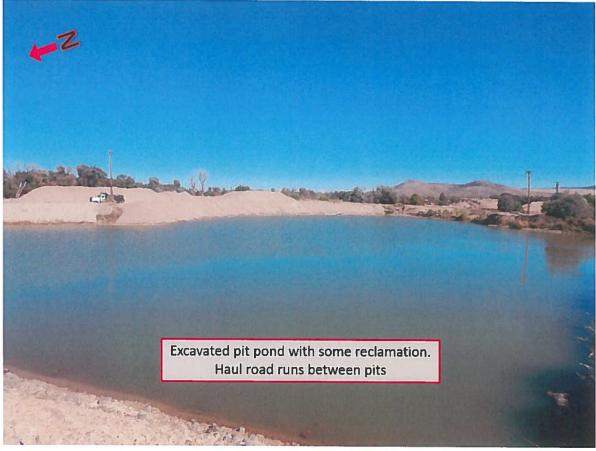


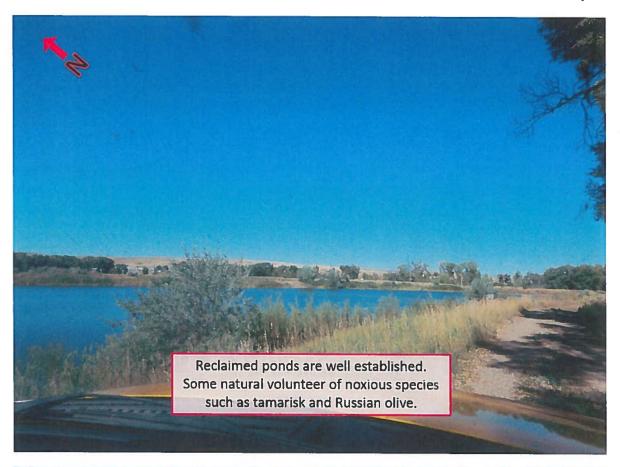




















Inspection Contact Address

Jon Muller Elam Construction, Inc. 556 Struthers Ave. Grand Junction, CO 81501

Enclosure

Ec:

Russ Means, Senior EPS / Field Office Supervisor, Grand Junction DRMS