




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: Fryrear Gravel Pit	MINE/PROSPECTING ID#: M-1998-071	MINERAL: Sand, gravel, clay	COUNTY: Yuma
INSPECTION TYPE: Surety-Related Inspection	INSPECTOR(S): Elliott R. Russell	INSP. DATE: August 5, 2015	INSP. TIME: 09:30
OPERATOR: Tim & Justin Kuntz Trucking, LLC	OPERATOR REPRESENTATIVE: Tim & Justin Kuntz	TYPE OF OPERATION: 112c - Construction Regular Operation	

REASON FOR INSPECTION: Surety Related	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$47,000.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: February 10, 2016

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.

GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected

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

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

PROBLEMS/POSSIBLE VIOLATIONS

INSPECTION TOPIC: Gen. Compliance With Mine Plan

PROBLEM/POSSIBLE VIOLATION: Problem #1: The current mine plan needs to be updated and clarified pursuant to C.R.S. 34-32.5-112 (1)(c)(VI). The operator must provide sufficient information to describe or identify how the operator intends to conduct the operation.

CORRECTIVE ACTIONS: The operator shall submit a Technical Revision, with the required \$216 revision fee, to update and clarify the current approved mine plan to reflect existing and proposed activities by the corrective action date.

CORRECTIVE ACTION DUE DATE: 4/10/16

INSPECTION TOPIC: Availability Of Records

PROBLEM/POSSIBLE VIOLATION: Problem #2: There are structures within 200 feet of the permit boundary which do not have structure agreements within the approved permit. This is a failure to comply with section 6.4.19 of the Rule.

CORRECTIVE ACTIONS: The Operator shall submit the necessary paperwork to resolve this issue before the corrective action date.

CORRECTIVE ACTION DUE DATE: 4/10/16

OBSERVATIONS

The Division of Reclamation, Mining and Safety (Division/DRMS) conducted an inspection of the Fryrear Gravel Pit (Permit File No. M-1998-071), a Construction Material Regular 112c Operation Reclamation Permit with 80 permitted acres and an approved post mining land use of Wildlife Habitat. The mine is located approximately 22 miles north-northeast of Yuma, Colorado. Elliott Russell, with the Division, inspected the site. Tim and Justin Kuntz represented the Operator and accompanied the inspection. This inspection was carried out as a part of the Division's Transfer of Mineral Permit and Succession of Operators (SO) process. The SO packet was received on May 5, 2015, requesting to transfer the permit from Richard Fryrear to Tim & Justin Kuntz Trucking LLC. The application was approved on June 10, 2015.

At 0930 hours, the Division met Tim and Justin at the mine site, located northeast of the intersection of County Road N and County Road 59. At the time of the inspection the temperature was hot, the sky was clear, and the ground was dry. The mine site identification sign was posted near the western entrance along County Road 59, but was not in compliance with Rule 3.1.12(1) because the old Operator's name was still posted on it. In addition, the four boundary markers could not be located during the inspection. These two issues were resolved on August 28, 2015, by the Operator via an email and pictures of the corrected sign and established markers.

The operation involves a series of mining phases within and near a small depression/intermittent drainage that runs from the northwest to the southeast corner of the permit. Current mining is approved only to occur within Area 1 and Area 2 (a total of 19.9 acres) under the current financial warranty amount. The approved area is located in the southeastern portion of the site and appears to contain two distinct excavations (in this report these areas will be referred to as the southern pit and the northern pit). The southern pit seems to be an area where older mining operations occurred, but did have a small area where a recent excavation occurred. The majority of this southern pit had side slopes that were approximate to 3H:1V while only the recently excavated area had near-vertical walls. Please note that this pit did contain some standing water from a recent rain event which had yet to infiltrate or drain off-site. The northern pit is located just north of the southern pit and was within the actual drainage; this area seemed to be the most active with current mining operations. This pit had active mining slopes near-vertical and ranged from 10 to 20 feet high. After reviewing the permit's approved Mining and Reclamation Plan, the Division has discovered that the application states that when material is mined, the slopes would be left at 3H:1V. The site observations regarding various mine slopes do not match what is currently approved in the permit; this has been cited as problem #1 requiring the Operator to either grade the slopes to 3H:1V or flatter OR submit a Technical Revision (TR), requesting to be approved for slopes steeper than 3H:1V during mining (please see

problems/possible violation section of this report for more information on this problem and its corrective action). This TR will need to include the maximum-allowed size and grade of mining slopes and a reclamation cost estimate for the additional work to grade these slopes to 3H:1V as required by Rule 6.4.12; for example the request could state that the Operation will keep slopes at 3H:1V except for active mine faces which could be near-vertical, no taller than 25 feet in height, and no longer than a combined 300 feet long and would add an additional \$2,400 to the cost estimate to cut/fill the highwall.

The Operator inquired about possibly expanding the mine area to include the southwest and northeast corners of the permit that are both located within the permit boundary, but outside of the current phasing. After a review of the permit file, the Division has determined that the addition of phasing in the corners of the permit could be handled through a TR to the Mining and Reclamation Plans. This will not be an Amendment to the permit because the permit boundary is also considered the affected boundary; adding mining disturbance in this area is a minor change rather than the major change of adding additional affected lands or increasing the permit boundary. Within this TR, the Operator will need submit an updated Mine Plan Map in accordance with Rule 6.4.3 and Rule 6.4.4 and an updated Reclamation Plan Map in accordance with Rule 6.4.6. Additionally, both maps need to comply with the requirements of Rule 6.2.1(2). This can be included in the required TR above, rather than submitting two TRs.

For the new Operator's information, the Division has explained the process of advancing to the next mining phase:

- The Operator shall request, in writing to the Division, that the financial warranty be increased prior to commencing mining operations in additional phase(s). This request shall include an updated reclamation cost of the additional acreage. Prior to approval, the Operator will need to post the additional associated Financial Warranty, which will be calculated by the Division and issued through a Surety Increase, for the additional phase(s).
- Please note that the Operator may, at any point throughout the life of the mining operation, request a Surety Reduction for completed reclamation tasks or an Acreage Reduction for portions of the permit that have achieved final reclamation

During the inspection, the Division observed two issues regarding structures within 200 feet of the permit boundary. An overhead utility line was observed along the western permit boundary. This utility line was not indicted on the 2014 AM-01 Exhibit C Pre-mining Plan Map nor was identified as a structure involving Exhibit S Permanent Man-made Structures. Additionally, mining disturbance was observed within 200 feet County Road 59. The permit states that mining will not occur within 200 feet of the county road so no structure agreement is needed between the Operator and Yuma County for the Exhibit S requirements. This statement has not been followed and an agreement is now needed pre the requirements of Rule 6.4.19. These issues are cited as problem #2 requiring the Operator to resolve the requirement of permit regarding structures within 200 feet of the permit boundary (please see problems/possible violation section of this report for more information on this problem and its corrective action). Please submit any necessary paperwork (revised mine plan regarding the 200 foot buffer, structure agreements and an Exhibit C Map) within 60 days of this inspection report with the required TR associated with compliance problem #1. A sample structure agreement form is attached to this report.

The current financial warranty (a letter of credit in the amount of \$47,000) was reviewed as a part of the SO process and is adequate to cover current and proposed reclamation activities at the site in Area 1 and 2.

This concludes the Division's Inspection Report; a subset of photographs taken during the time of the inspection are included below. If you need additional information or have any questions, please contact me at Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at **303-866-3567 x8132**, or by email at elliott.russell@state.co.us.

PHOTOGRAPHS



Permit identification signs (picture submitted by Operator on 8/24/15); looking north.



Overview of the older "southern pit" area; looking west.



Overview of the newer “northern pit” area; looking northwest.

Inspection Contact Address

Tim & Justin Kuntz
Tim & Justin Kuntz Trucking, LLC
53596 CR ZZ
Yuma, CO 80759

Enclosure: Sample Structure Agreement

CC: Wally Erickson; DRMS