




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): Stephanie J. Mitchell	INSP. DATE: February 17, 2016	INSP. TIME: 11:00
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: Complete Bond	BOND AMOUNT: \$83,133.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: March 1, 2016

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>Y</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>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>Y</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>Y</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 representing the Operator, was present during this inspection. Michael Ripp and Eric Sorenson accompanied us on the inspection as well. Photographs are included at the end of this report in order to illustrate some of the conditions observed during this inspection.

The Pit No. 1 is located approximately .75 miles east of Delta, Colorado 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. The Division will review the reclamation costs for this site in order to ensure the financial warranty reflects the actual current cost of fulfilling the requirements of the Reclamation Plan. The Operator will be notified if the Division determines that the current financial warranty amount is insufficient.

Adequate mine identification signage was noted at the entrance to the site. The affected area was adequately marked with fencing. The Southeast permit boundary was protected by a berm.

Mining has ceased at the site. The permitted area has 3 ponds impounding water. The Black pond slopes have been graded exceptionally well and have no invasive weed species. The Loughrey pond has little or no noxious weed species. The Pit No. 1 pond has been completely regraded to 4H:1V to 3H:1V slopes after all of the Tamarisk and Russian Olive trees were removed earlier in the Fall of 2015.

The Operator expressed interest in changing the Reclamation Plan and post mining land use to Commercial/Industrial. The current approved land use is Wildlife Habitat. To change the post mining land use an Amendment to the permit is required.

No problems or violations were noted during this inspection.

Responses to this inspection report should be directed to Stephanie Mitchell 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) 242-5025.

PHOTOGRAPHS



Pit No. 1 pond- Looking East



Lake Loughrey- Looking East



Pit No. 1 Lake



Black Lake- Looking SE



Pit No. 1





Inspection Contact Address

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