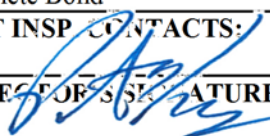




COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY
MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

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: Green/Croissant Property Mine	MINE/PROSPECTING ID#: M-2001-022	MINERAL: Sand and gravel	COUNTY: Weld
INSPECTION TYPE: Surety-Related Inspection	INSPECTOR(S): Peter S. Hays	INSP. DATE: February 19, 2016	INSP. TIME: 11:00
OPERATOR: Loveland Ready Mix Concrete, Inc.	OPERATOR REPRESENTATIVE: Stephanie Fancher	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Surety Release Requested	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$350,900.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: March 8, 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.

INSPECTION TOPIC: Availability Of Records

PROBLEM/POSSIBLE VIOLATION: Problem: Three (3) areas in the release request boundary were identified during the inspection that did not correspond to the release request map; a jog in the boundary to the north from the fence line to the survey stakes south of the batch plant, a jog in the fence to the south instead of to the north in the area south of the middle of Cell 2 and the fence at the north end of the tailwater ditch area.

CORRECTIVE ACTIONS: The Operator must explain and/or update the release request maps to correctly identify the acreage reduction release area.

CORRECTIVE ACTION DUE DATE: 4/08/16

INSPECTION TOPIC: Hydrologic Balance

PROBLEM/POSSIBLE VIOLATION: Problem: The Division received comments from the Colorado Division of Water Resources (SEO) regarding the acreage reduction request (AR-01). A copy of the letter was given to the Operator during the inspection. The SEO letter states a total of 6.54 acres of jurisdictional and non-jurisdictional wetlands were anticipated to be impacted by the mining operation. LRM proposed to mitigate the disturbance by creating 7.05 acres of new wetlands. The SEO requested verification that any wetlands created exceeding a one-to-one ratio to the amount of mining disturbed wetlands are being accounted for and augmented under augmentation plan decreed in case no. 2009CW105.

CORRECTIVE ACTIONS: The Operator must provide verification that any wetlands created exceeding a one-to-one ratio to the amount of mining disturbed wetlands are being accounted for and augmented under augmentation plan decreed in case no. 2009CW105.

CORRECTIVE ACTION DUE DATE: 4/08/16

INSPECTION TOPIC: Gen. Compliance With Mine Plan

PROBLEM/POSSIBLE VIOLATION: Problem: The Division file indicates the site is permitted for 210 acres. The Operator requested a release of 115.38 acres, leaving a total of 93.96 acres remaining in the permit boundary. The Operator's acreage total equals 209.34 acres.

CORRECTIVE ACTIONS: The Operator must account for the missing 0.66 acres in the acreage reduction request and adjust the reduction request accordingly.

CORRECTIVE ACTION DUE DATE: 4/08/16

INSPECTION TOPIC: Revegetation

PROBLEM/POSSIBLE VIOLATION: Problem: Common Mullein and a Russian olive tree, state-listed noxious weeds were observed in the southwest corner of the Croissant owned acreage reduction request area. 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 Rule 3.1.10 (6).

CORRECTIVE ACTIONS: The Operator must implement the approved weed control plan. The Operator must submit proof of previous treatment of the mullein, conduct a spring treatment of the mullein and cut down and treat the stump of the Russian olive tree prior to Division approval of the acreage reduction request.

CORRECTIVE ACTION DUE DATE: 4/08/16

OBSERVATIONS

The Green/Croissant Mine was inspected by Peter Hays with the Division of Reclamation, Mining and Safety (Division/DRMS) in response to an acreage reduction request (AR-01) filed by the Operator on January 29, 2016. The Division is required by Rule 4.17.2 to inspect the lands and reclamation described in the request to determine if the Permittee has complied with all applicable requirements. Mrs. Stephanie Fancher with Loveland Ready-Mix Concrete, Inc. was present during the inspection. The Division previously inspected the site on December 10, 2015.

The Division currently holds a financial warranty in the amount of \$350,400.00. The Operator did not request a reduction in the bond amount with the acreage reduction request. The permit sign was posted at the entrance gate as required by Rule 3.1.12(1). Photographs taken during the inspection are attached.

The Division cannot approve the acreage reduction request (AR-01) until the problems cited in this report are corrected by the Operator.

The Division file indicates the site is permitted for 210 acres. The Operator requested a release of 115.38 acres, leaving a total of 93.96 acres remaining in the permit boundary. The Operator's acreage total equals 209.34 acres. As cited as a problem, the Operator must account for the missing 0.66 acres in the acreage reduction request and adjust the reduction request accordingly.

The 115.38 acres included in the release request includes 99.52 acres owned by Loveland Ready-Mix Concrete (LRM) and 15.86 acres owned by Croissant Family Farm, LLC (Croissant). The majority of the LRM land was not disturbed by the mining activity due to the lack of resource in the area. The land was used as agricultural range land since the permit was issued. The northeast corner of the release area owned by LRM and the entire release area owned by Croissant was reclaimed to wetlands to comply with Army Corps of Engineers Permit No. 200180205.

The Division received comments from the Colorado Division of Water Resources (SEO) regarding the acreage reduction request (AR-01). A copy of the letter was given to the Operator during the inspection. The SEO letter states a total of 6.54 acres of jurisdictional and non-jurisdictional wetlands were anticipated to be impacted by the mining operation. LRM proposed to mitigate the disturbance by creating 7.05 acres of new wetlands. The SEO requested verification that any wetlands created exceeding a one-to-one ratio to the amount of mining disturbed wetlands was being accounted for and augmented under augmentation plan decreed in case no. 2009CW105. This is cited as a problem requiring corrective action by the Operator prior to Division approval of the acreage reduction request.

The release request area was well defined by fence line around a majority of the area and survey stakes in the area south of the concrete batch plant. The Operator stated t-posts and signs indicating the remaining mining permit area will be installed to delineate the boundary. The release area boundary was walked and driven during the inspection. Three (3) areas in the release request boundary were identified during the inspection that did not correspond to the release request map; a jog in the boundary to the north from the fence line to the survey stakes south of the batch plant, a jog in the fence south of the middle of Cell 2 and the fence at the north end of the tailwater ditch area. As cited as a problem, the Operator must explain and/or update the release request maps to correctly identify the acreage reduction release area.

The acreage reduction request area consisted of rangeland, a pond and wetlands. Cattle were observed in the southwest portion of the release area. No evidence of mining disturbance was observed in the release area during the inspection. A patch of common mullein and a Russian olive tree were observed in the southwest corner of the Croissant owned acreage reduction request area. The mullein appeared to have been sprayed in the fall. As cited as a problem, the Operator must submit proof of previous treatment of the mullein, conduct a spring treatment of the mullein and cut down and treat the stump of the Russian olive tree prior to Division approval of the acreage reduction request.

An inspection map is attached indicating the approximate location of the noxious weeds and map boundary errors.

Inspection Contact Address

Mrs. Stephanie Fancher
Loveland Ready Mix Concrete, Inc.
P.O. Box 299
Loveland, CO 80539

Cc: Wally Erickson, DRMS

PHOTOGRAPHS



Green/Croissant Mine Sign



Looking SE at wetlands SW of batch plant



Looking east along north boundary of release area near batch plant



Looking south from south of the batch plant at release area



Looking east along north boundary of release area, south of Cell 2



Looking west along north boundary of release area, south of Cell 2



Looking west along north boundary of release area, south of Cell 2



Looking east along north boundary of release area, south of Cell 2



Looking south from north end of the tail water area



Looking south at SE area of the Croissant release area



Looking west at SW area of the Croissant release area



Looking east at SW area of the Croissant release area



Looking west at east portion of the LRM release area



Looking SW at east portion of the LRM release area from conveyor crossing



Looking north from SE corner of LRM release area



Looking NW from SE corner of LRM release area



Looking east from SW corner of Croissant release area



Looking south from SW corner of Croissant release area



Looking NW from SE corner of LRM release area



Looking west from SE corner of LRM release area



Looking NE from SW corner of LRM release area



Looking north from SW corner of LRM release area

GENERAL INSPECTION TOPICS

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

(AR) RECORDS----- <u>PB</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>PB</u>	(BG) BACKFILL & GRADING----- <u>N</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>N</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>N</u>	(SW) STORM WATER MGT PLAN---- <u>N</u>	(CI) COMPLETE INSP---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>N</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

Loveland Ready-Mix Concrete




Green/Croissant Property Mine

M-2001-022

AR-01 Inspection Map

February 19, 2016

Legend

-  AR-01 Boundary Map Error Location
-  Approx. AR01 Boundary
-  Common Mullein Patch and Russian Olive

