




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: Mamm Creek Sand & Gravel	MINE/PROSPECTING ID#: M-2000-113	MINERAL: Sand and gravel	COUNTY: Garfield
INSPECTION TYPE: Monitoring	INSPECTOR(S): Amy C. Yeldell	INSP. DATE: March 15, 2016	INSP. TIME: 13:00
OPERATOR: Oldcastle SW Group, Inc. dba United Compai County	OPERATOR REPRESENTATIVE: Jason Burkey	TYPE OF OPERATION: 112c - Construction Regular Operation	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$149,153.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: March 28, 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>NA</u>	(SF) PROCESSING FACILITIES----- <u>Y</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>NA</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</u>	(OD) OFF-SITE DAMAGE----- <u>NA</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

OBSERVATIONS

This inspection was conducted as part of the Colorado Division of Reclamation, Mining and Safety (Division) normal monitoring program. Mamm Creek Sand and Gravel is a 112c permitted site that includes a total of 295.10 permitted acres. This site is located approximately 2.5 miles east of Rifle, Colorado and is accessed from Garfield County Road 316 north of I-70. Jason Burkey represented the Oldcastle-United Companies and accompanied Amy Yeldell of the Division on the inspection.

As indicated by Mr. Burkey this pit is primarily used for sales, and processing and stockpiling material which is transported from the North Bank Resources site (M-2006-018) via conveyor across the Colorado River. Mr. Burkey indicated that little to no new mining activities have occurred since acquiring this asset as it is mostly mined out and that the majority of their efforts have been directed towards reclamation. Since acquiring this site from Lafarge in 2014, significant reclamation progress has been made by Oldcastle.

Areas will be described based on the 2011 annual report map which clearly identifies mining areas. This map is included with the report.

The mine identification sign and affected area boundary markers are in place. One main sign is posted at the entrance to the scale and processing area. The permit boundary is clearly delineated by wire fences on three sides and the Colorado River on the North side. It is noted that the Colorado River meanders through the northern portion of the permit boundary and is adjacent to several of the mining area banks.

At the request of the landowner Mr. Snyder, Oldcastle would like to pursue a partial release of mining area B. The majority of the area surrounding the lake appears to have well established grasses and trees that look to be healthy. In areas with adequate vegetation slopes were graded properly to 3:1 or less. Mr. Burkey indicated that since the last inspection all of the identified dead trees have been replaced. Last fall work was done to the Army Corp of Engineers (ACOE) permitted spill structure. This resulted in a small road being disturbed which has since been reclaimed. The spill structure appears to be stable and functioning properly. Typically the Division would like to see at least two growing seasons before inspecting areas for release. This helps the Division ensure that reclamation is successful and sustainable rather than the result of one good year. The Division observed a sprinkler system which will likely speed up revegetation success. However grazing of cattle is likely placing undue stress on young plants. Being that this inspection was conducted in March, a large majority of the vegetation is still dormant. Come spring when plants germinate it will help indicate what vegetation was established and was hearty enough to survive the winter and ultimately be considered sustainable. It is noted that the south and west banks of mining area B lake are adjacent to the scale and processing area. Additionally there is a gas pad in the southwest portion. These areas will require additional grading and seeding come final reclamation if responsibility is not assumed by the gas company.

In the processing area a portable conveyor belt is used to extend the fixed conveyor belt that spans the Colorado River. From there material is moved via dozer and stacked in its respective pile. All piles are neatly organized according to size and appear to be stable. Electrical utility boxes are protected by jersey barriers. There is a double walled diesel tank on site. Mr. Burkey indicated this will likely be removed since only one piece of equipment is being used in this area. Other miscellaneous hydrocarbon materials and smaller jugs are stored in a secondary containment or the storage locker. Excess construction materials and debris are neatly stacked near the storage locker. There is also a fresh water load out area for dust suppression drawing water from the lake in mine area C.

Mine area C as indicated by Mr. Burkey has also been mined out. There is a drill pad in the middle of the south west portion of the lake. This mining area is partially reclaimed. Most of the slopes are approximately 2:1. For final reclamation slopes are required to be graded to 3:1 or less. Additionally some of the banks appear to be in excess of 15 feet above existing grade on either side. These banks where otherwise not required for flood protection should blend naturally into the surrounding topography. Reclamation maps should distinguish areas with steep grade or berms that will remain for flood protection. Additional top soiling and seeding of the graded portions will be required. Currently vegetation is adequate and the ground is stable with no visible evidence of erosion.

Mine area E consists of a lake on the eastern portion and an asphalt pad on the western portion. The areas around the lake has been properly graded to 3:1 or less and naturally blend in with surrounding topography. Mature vegetation appears to be well established. Spillway features appear to be stable and properly functioning. The western portion is a flat area that presumably has never been mined. The asphalt pad has historically been used as a staging and processing area for various local projects. A few small stockpiles area located between the lake and the asphalt pad in mine area E. Currently a large propane tank sits in this area as well. This area qualifies as more of a commercial area rather than recreational. Upon final reclamation the asphalt will need to be removed along with the propane tank. Any disturbed areas will need to be reseeded, no significant dirt work is anticipated.

Mining area D appears to remain undisturbed.

Overall the site was stable, no significant erosion was observed. Topsoil is stored in lake banks. A few weeds were observed however evidence of treatment was also observed. There were no infestations of untreated weeds. Considering the location there was an apparently lack of common riparian noxious species such as tamarisk and Russian olive tree which further proves the operators vigilance in managing the land. Currently the Colorado River was relatively low and no inflow or outflow of the spill structures were observed. All ACOE structures appeared to be stable and functional.

There is considerable overlap in disturbances from mining and gas production. Upon final reclamation Oldcastle will need to clarify which roads are to remain for recreation. And what reclamation efforts will be covered under COGCC's jurisdiction.

Regarding a partial release of successfully reclaimed acreage or undisturbed lands. If requested at this time the Division cannot with confidence approve land in mine area B since the road was reclaimed recently. Depending on reclamation success come this fall the Division may consider a request for the north east portions at that time. Regarding the lake portion of mining area E, the Division feels this area does meet the requirements of the reclamation plan. Similarly Mine area D is undisturbed and also meet those requirements. Bases on this inspection it is determined that the Operator has successfully complied with the requirements, and that a portion of the site is ready to be released from any further reclamation responsibility. If the operator submits an acreage release request within 60 days, this inspection will count as the acreage release inspection. In your request please include a detailed map depicting the specific areas you wish to release. Upon approval a technical revision (TR) will be required to update all maps.

No problems or violations were cited during this inspection.

Currently the Division holds a Financial Warranty in the amount of \$149,153 for this site. 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



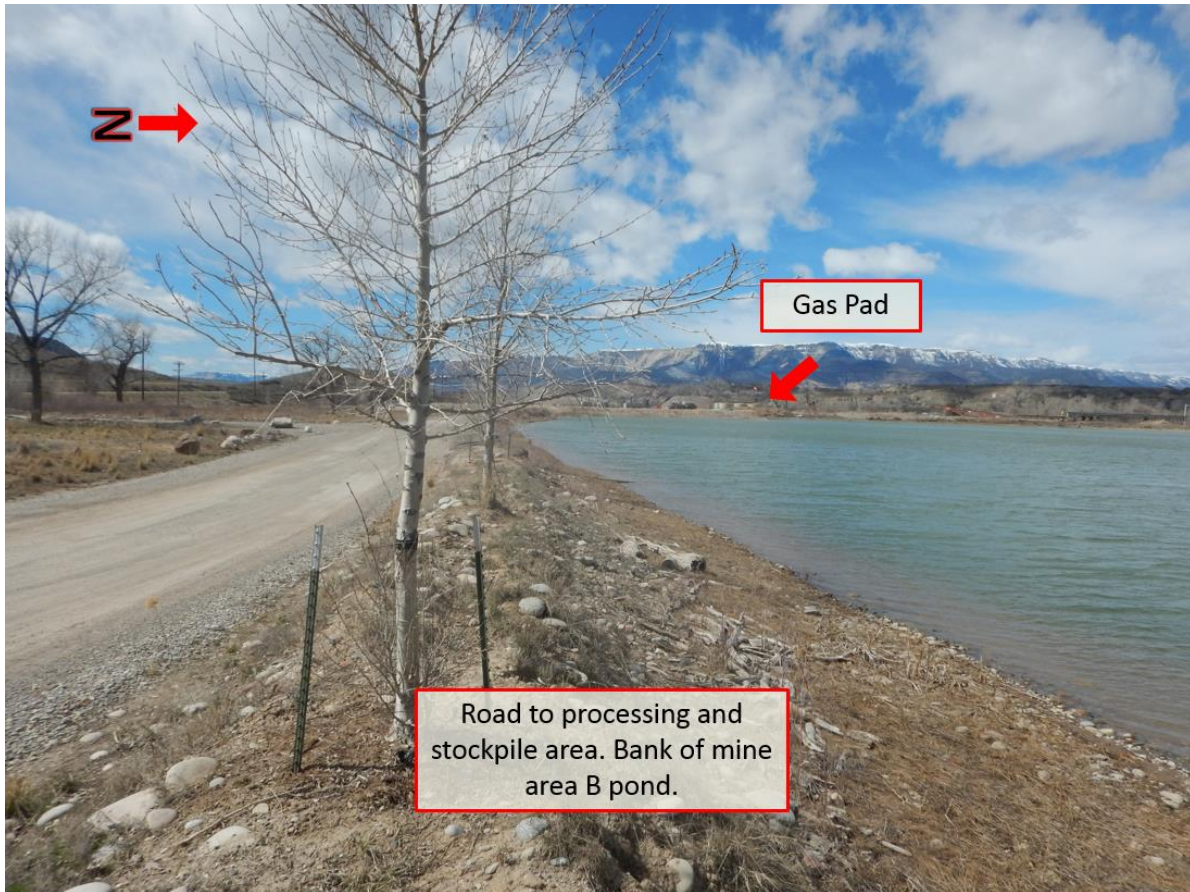


Scale and scale house located near the entrance of the pit.



Overview of mine area B. right side show the recently reclaimed road verse well established banks

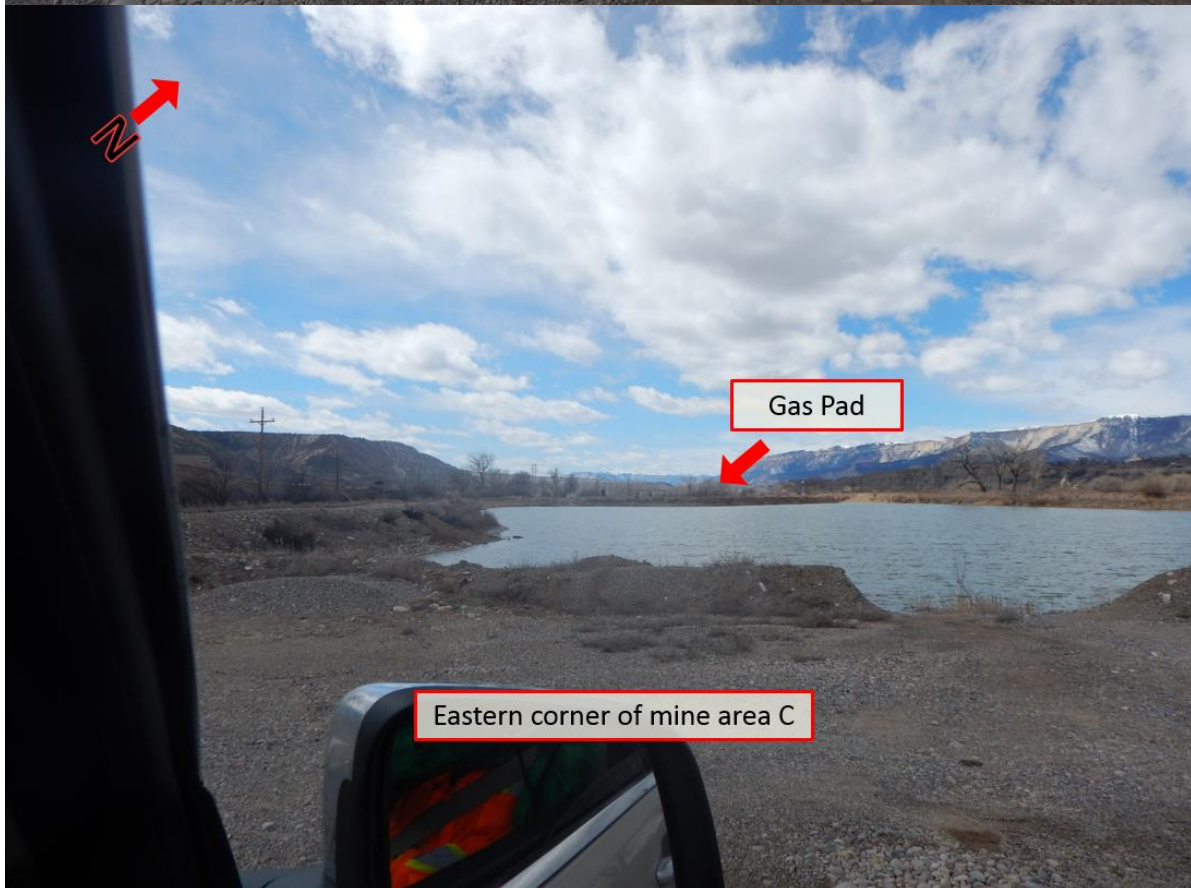








Dust suppression water intake.
Overview of mine area C



Gas Pad

Eastern corner of mine area C



Inspection Contact Address

Jason Burkey
Oldcastle SW Group, Inc. dba United Companies of Mesa County
2273 River Road
Grand Junction, CO 81502

Enclosure

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

