




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: North Clear Creek Construction Materials Mi | MINE/PROSPECTING ID#: M-2006-039 | MINERAL: Sand & Gravel | COUNTY: Garfield |
| INSPECTION TYPE: Monitoring | INSPECTOR(S): Amy C. Yeldell | INSP. DATE: April 13, 2016 | INSP. TIME: 14:00 |
| OPERATOR: Chevron Shale Oil Company, a division of Ch | OPERATOR REPRESENTATIVE: Richard Grubbs & Vince Guinta | TYPE OF OPERATION: 110c - Construction Limited Impact | |
| REASON FOR INSPECTION: Normal I&E Program | BOND CALCULATION TYPE: Partial Bond | BOND AMOUNT: \$36,939.00 | |
| DATE OF COMPLAINT: NA | POST INSP. CONTACTS: None | JOINT INSP. AGENCY: None | |
| WEATHER: Cloudy | INSPECTOR'S SIGNATURE:  | SIGNATURE DATE: April 20, 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: It appears that approximately 11 acres have been affected which is larger than the approved 8 acres. Depending on the extent of disturbance this could be a possible violation pursuant to: 1.) C.R.S. 34-32.5-109(1) for failure to first obtain from the board or office a reclamation permit prior to engaging in a new operation. AND/OR 2.) C.R.S. 34-32.5-116(4)(i) for failure to protect areas outside of the affected land from slides or damages occurring during the mining operation.

CORRECTIVE ACTIONS: The operator shall, survey the current disturbance to clarify the total affected acreage to date. The operator shall provide the Division with documentation of their findings, including updated maps by the corrective action date. Upon receipt of this information the Division will make its determination of how to proceed forward and rectify the situation.

CORRECTIVE ACTION DUE DATE: 7/19/16

OBSERVATIONS

This inspection was conducted as part of the Colorado Division of Reclamation, Mining and Safety (Division) normal monitoring program. The North Clear Creek Construction Materials Mine is a 110c permitted site that includes a total of 8 permitted acres. This site is located approximately 17 miles northwest of Debeque, Colorado and is accessed from Garfield County Road 211 (North Clear Creek Rd). Richard Grubbs and Vince Guinta represented Chevron USA, Inc. and accompanied Amy Yeldell of the Division on the inspection.

The mine identification sign and affected area boundary markers are in place. The mine sign is posted at the base of the topsoil pile in the northwest corner of the mine. The permit boundary is delineated by t-posts. It is noted that the green t-posts blend into the natural landscape and were very difficult spot. The operator would benefit from painting the t-post a bright color or perhaps adding a tall stick of white PVC to make the permit boundary easier to delineate at a distance.

This site is used to maintain approximately 15 miles of dirt road. No crushing or screening of material is required for it to be used. No equipment, fuel or structures were observed. It was indicated by Mr. Guinta that the last mining occurred a few days ago.

Per the mining plan, mining will occur in benches approximately 30'W x 15'H. To date mining has not progressed enough for the use of benches.

The topsoil pile is seeded and stable. Pocketing has been used well and there is little to no evidence of erosion. The entire site has been stripped of topsoil. Along the northeastern slopes, natural vegetation has volunteered. The site is stable with no erosion and no weeds were observed.

Several piles of sediment pond/culvert clean out material was observed. This material may prove beneficial for reclamation given its high quality of nutrients and fine texture as compared to the native material of this site. In order to import material the operator must provide the office with notice per Rule 3.1.5 (9). "The notice shall include but is not limited to: a narrative that describes the approximate location of the proposed activity; the approximate volume of inert material to be backfilled; a signed affidavit certifying that the material is clean and inert, as defined in Rule 1.1(20); the approximate dates the proposed activity will commence and end, however, such dates shall not be an enforceable condition; an explanation of how the backfilled site will result in a post-mining configuration that is compatible with the approved post-mining land use; and a general engineering plan stat how the material will be place and stabilized in a manner to avoid unacceptable settling and voids." Please submit this notice in the form of a technical revision.

A cement wash out area was also observed. The operator is reminded that per Rule 1.1(20) concrete must be in a hardened state for at least 60 days prior to burial and notice given per Rule 3.1.5(9). Based on discussions with the operator the Division recommends they file for intermittent status. Active status requires mining annually more than 180 days which this operation does not do. Intermittent status requires that a site be active annually however does not operate more than 180 days a year. If the mine ceases production for more than a year it shall go into temporary cessation. Mining activities include not only excavation but the moving of stockpiled materials as well.

Staff digitized the permit boundary depicted in the 2015 annual report using google earth images which

coincides to the striped land. This permit boundary does not match the boundary delineated in the permit application (map attached). The site appears to be approximately 11 acres which is larger than the approved 8 acres. Depending on the extent in which land has been affected outside of the permit boundary this could be a possible violation of mining without a permit or failure to protect lands from off-site damages. The Division is requesting that the operator survey the current disturbance to clarify the total affected acreage to date. Then the operator shall provide the Division with documentation of their findings within 90 days of this inspection report including an updated map. Upon receipt of this information the Division will make its determination of how to proceed forward and rectify the situation.

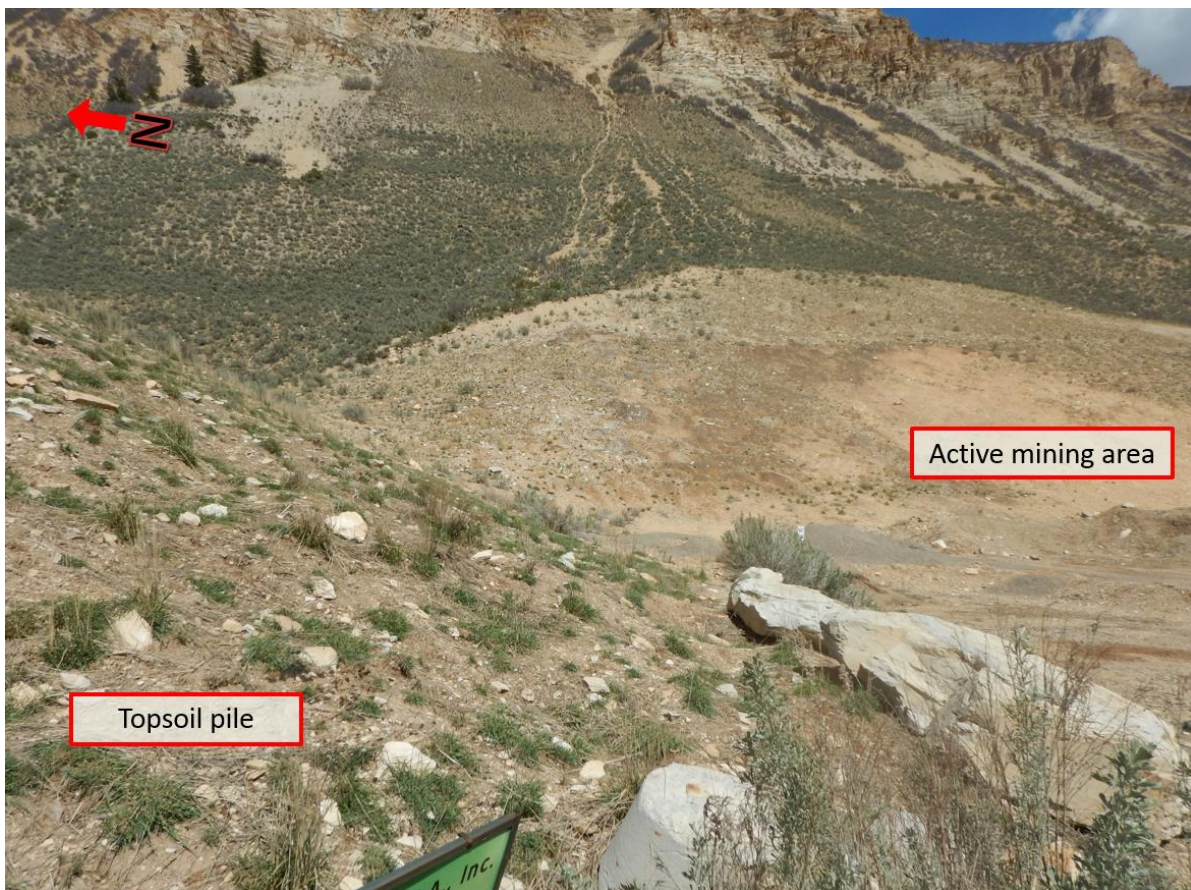
Currently the Division holds a Financial Warranty in the amount of \$36,936 for this site. No surety increase has been issued since the original permit issuance in 2006. The Division will wait for the acreage discrepancy to be resolved prior to determining if the current bond is adequate or if a surety increase shall be necessary.

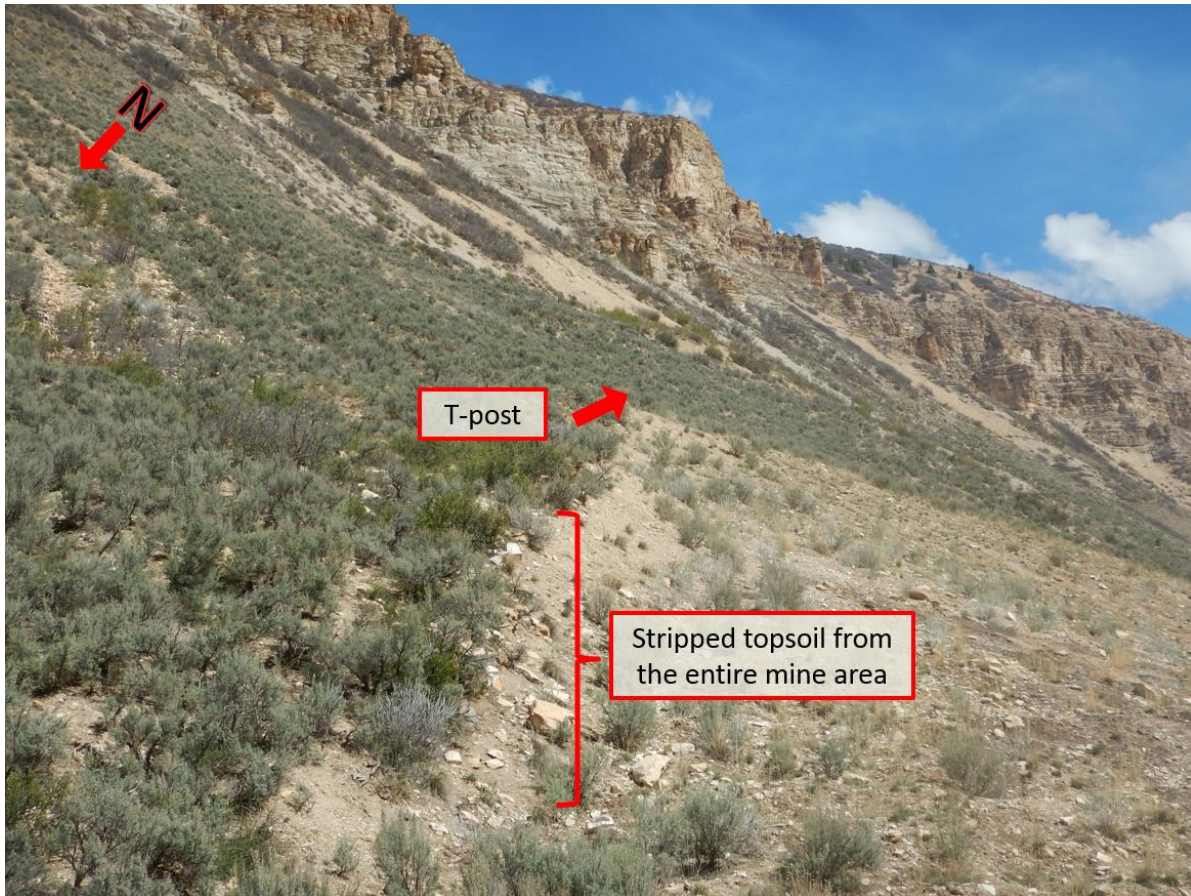
The contact information that the Division has on file is outdated. The Division request that the operator submit the new contact information. Distinctions can be made for permittee verse inspection contact if desired.

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











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>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>NA</u> | (TS) TOPSOIL----- <u>Y</u> |
| (MP) GENL MINE PLAN COMPLIANCE- <u>N</u> | (FW) FISH & WILDLIFE----- <u>NA</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>NA</u> | (OD) OFF-SITE DAMAGE----- <u>NA</u> | (ST) STIPULATIONS----- <u>Y</u> |

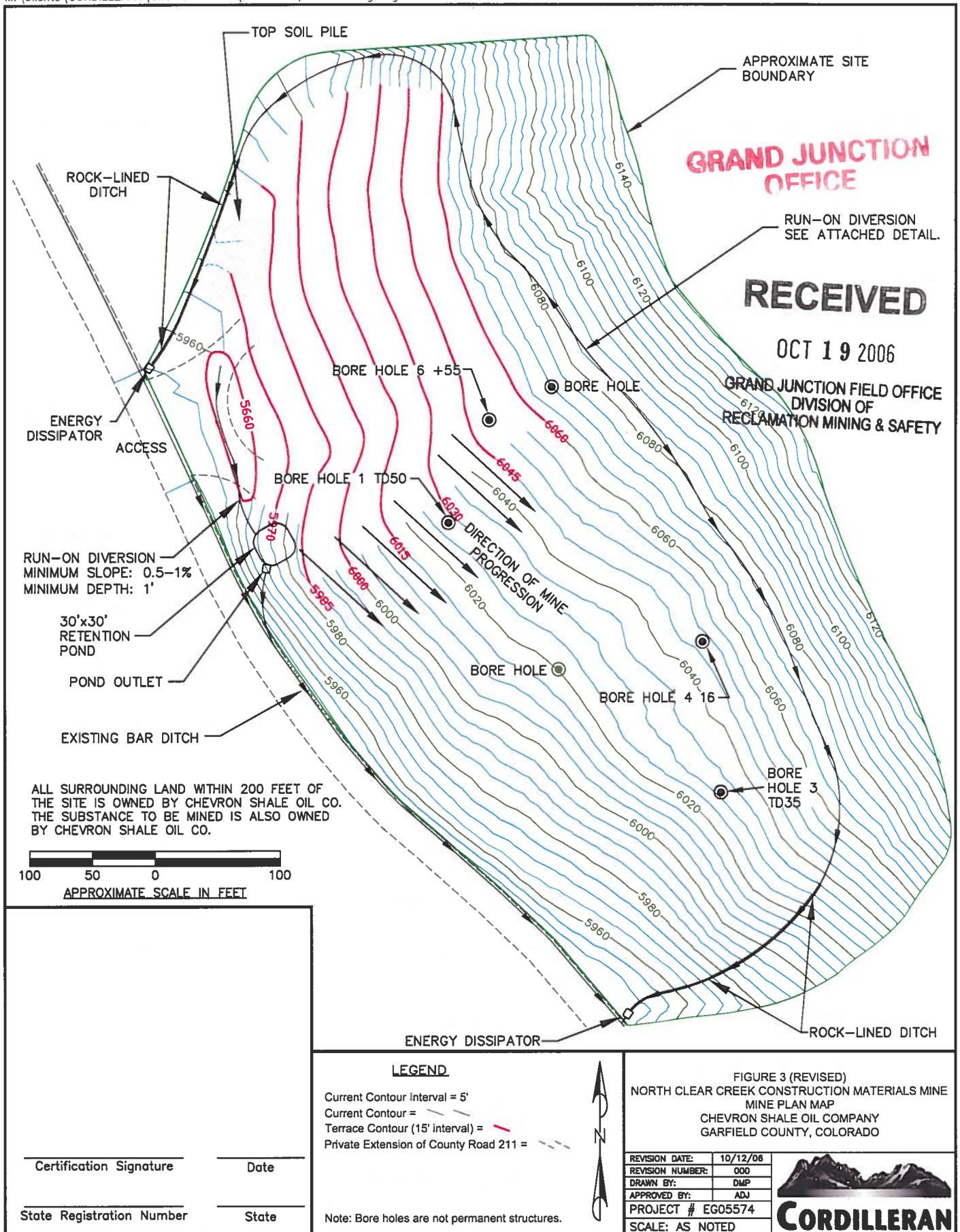
Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

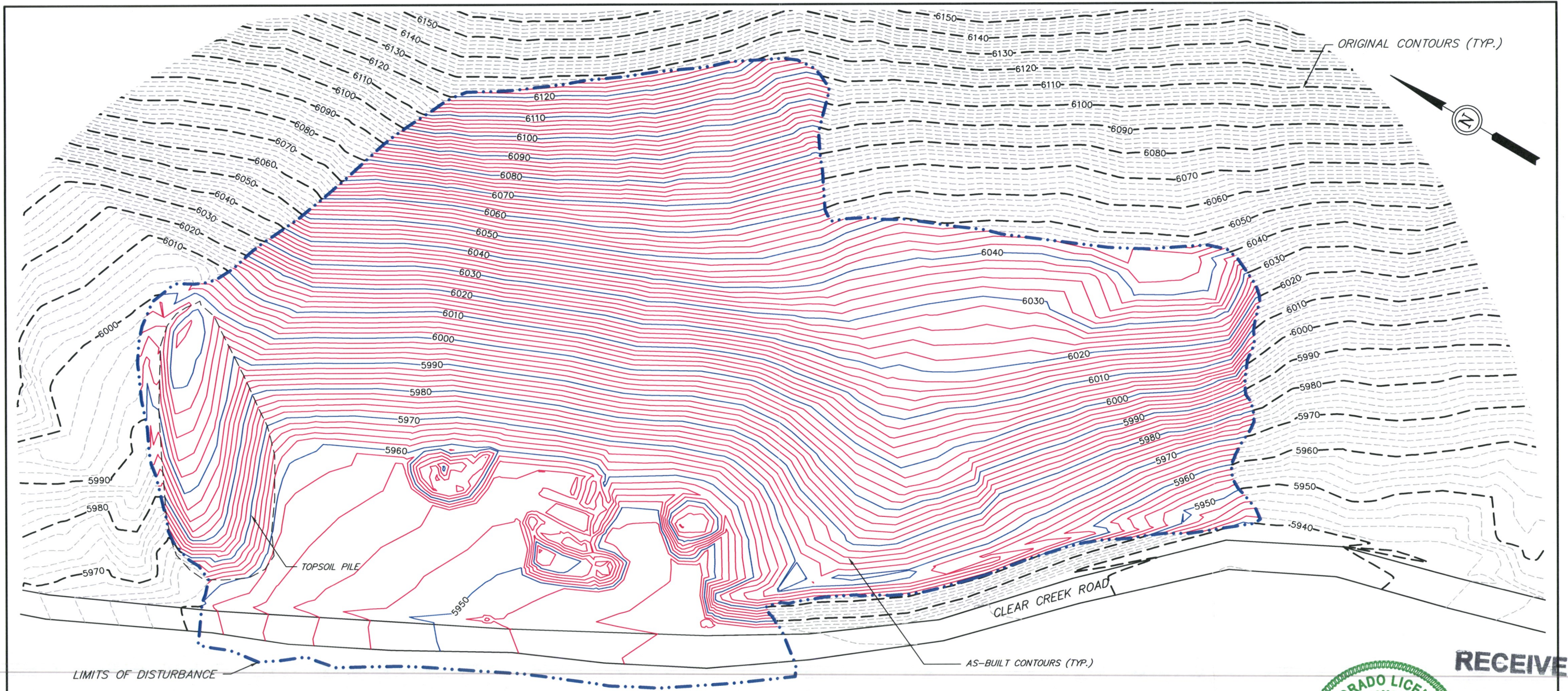
Inspection Contact Address

Richard Grubbs
Chevron USA
760 Horizon Drive
Grand Junction, CO 81506

Enclosure

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





U.S. STATE PLANE NAD 83
COLORADO STATE PLANE CENTRAL (0502)

| LOCAL CONTROL POINTS USED TO ESTABLISH HORIZ. AND VERT. SURVEY CONTROL | | | | |
|--|-------------|-------------|-----------|------------------------|
| PNT NO. | NORTHING | EASTING | ELEVATION | DESCRIPTION |
| 1 | 1645156.679 | 2198465.799 | 6201.465 | B.M. CHEV ROAN |
| 201 | 1647696.13 | 2199892.879 | 6428.026 | N 1/4 36 598 B.C. |
| 202 | 1645135.422 | 2197170.709 | 5984.219 | E 1/4 35 598 UELS A.C. |
| 203 | 1647777.062 | 2197249.259 | 6458.032 | NE 35 598 B.C. |

GENERAL NOTES

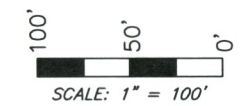
1. THE ORIGINAL CONTOURS WERE DERIVED FROM AN ADOBE ACROBAT PDF DRAWING CREATED BY CONSTRUCTION SURVEYS, INC. ON NOVEMBER 17, 2009. THE DRAWING HAD NO ELEVATION OR HORIZONTAL SURVEY CONTROL SHOWN ON THE DRAWING. UELS, LLC LOWERED, SHIFTED, AND ADJUSTED THE RE-CREATION OF THE ORIGINAL CONTOURS TO BEST MATCH THE AS-BUILT SURVEY PERFORMED BY OUR SURVEYORS. THE VOLUMES REPORTED MAY REFLECT SOME ERROR DUE TO THE POSSIBLE ERROR IN OUR "BEST FIT" ORIGINAL SURFACE.
2. NO SHRINK OR SWELL FACTORS WERE APPLIED TO THE REPORTED VOLUMES.

VOLUME SUMMARY

| FROM | TO | CUT (CUYDS) | FILL (CUYDS) | NET (CUYDS) |
|--------------------------|--------------|-------------|--------------|-------------|
| NOV 5, 2009 ¹ | NOV 20, 2011 | 49,830 | 5,500 | 44,330 |

RECEIVED
DEC 08 2015
DIVISION OF RECLAMATION
MINING AND SAFETY
m-2006-039

COLORADO LICENSED PROFESSIONAL ENGINEER
CHRISTOPHER J. CLARK
45808
NOV 29, 2011
RESPONSIBLE ENGINEER



UINAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017
www.uintahgroup.com

| REV NO | BY | REVISIONS |
|--------|----|-----------|
| | | |
| | | |
| | | |

PROJECT DATA
SURVEYED BY: B.E.B.
DRAWN BY: C.J.C.
DATE: 11-29-11

SCALE: 1" = 100'
E: / CHEVRON BORROW PIT
E: / AS-BUILT 211-6211 BORROW PIT.DWG
SHEET: 1 OF 1

LOCATED IN
SECTION 36, T5S, R98W, 6th P.M. &
SECTION 4, T6S, R98W, 6th P.M.,
GARFIELD COUNTY, COLORADO
PROJECT NO. 211-6211



CHEVRON U.S.A., INC.
Land Borrow Pit
2009-2011 Volumes