




**COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY
MINERALS PROGRAM INSPECTION REPORT**

PHONE: (303) 866-3567

CONFIDENTIAL

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: Hitch Rack Ranch	MINE/PROSPECTING ID#: P-2014-016	MINERAL: Granite, granite gneiss	COUNTY: El Paso
INSPECTION TYPE: Monitoring	INSPECTOR(S): Timothy A. Cazier	INSP. DATE: June 7, 2016	INSP. TIME: 10:30
OPERATOR: Transit Mix Concrete Co.	OPERATOR REPRESENTATIVE: Brandon Heser, Paul Kos & Bob Stabo	TYPE OF OPERATION: ME - Mineral Exploration	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$6,098.83
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: June 8, 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>N</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</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>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>NA</u>	(SW) STORM WATER MGT PLAN---- <u>N</u>	(CI) COMPLETE INSP---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</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 was an inspection performed by the Division of Reclamation, Mining and Safety (Division) as part of its follow-up pre-operational inspection for the proposed Hitch Rack Quarry 112c application currently in review. Mr. Brandon Hesser (Transit Mix) represented the Prospector and was present for the inspection. Messrs. Paul Kos and Bob Stabo were also onsite representing Transit Mix. Tim Cazier, Amy Eschberger, Tony Waldron, and Peter Hays were on site representing the Division. The Hitch Rack Ranch is accessed from Hwy 115 about 15 miles southwest of Colorado Springs, in El Paso County. The site was accessed from Hitch Rack Ranch Road.

Inspection:

The Division does not require a posted sign for NOIs. No prospecting equipment (drill rig, dozer, skid steer) were observed on site. Drill pads and roads for boreholes B-3, B-4, B-5, B-6, HC002-15 (see **Photos 1 and 2**), HC005-15, HC006-15, and HC007-15 were visited during the inspection. Each borehole appeared to be sealed at the surface. Transit Mix indicated during the April 12, 2016 inspection that all the boreholes were dry (which is supported by the logs submitted for the initial/pre-MD-01 drilling program). As such, only the surface is required to be sealed.

Reclamation:

Revegetation is proposed for the drill pads and new roads, but had not been initiated at the time of the inspection. A significant number of common mullein on the drill roads were observed to have been treated (see **Photo 3**). The Transit Mix representatives indicated a weed control plan had been developed for El Paso County and that it would get incorporated in the mine reclamation permit application (M-2016-010) currently under review by the Division.

File Review Notes:

- The previous inspection was conducted on 4/12/2016.
- The proposed total disturbed area is 2.61 acres.
- Transit Mix submitted borehole abandonment reports with the annual report received by the Division on August 26, 2015. This report also indicated 8,100 feet of drill roads were created.
- A modification application was received by the Division for 2 acres of additional disturbance. This modification was approved on September 25, 2015.

Summary:

The prospector is required to submit a modification to the NOI to incorporate a weed control plan as indicated on page 1 of the previous inspection report. Transit Mix requested and the Division approved an extension on the weed control plan submittal to July 12, 2016.

PHOTOGRAPHS



Photo 1. Borehole HC002-15 appeared to be sealed

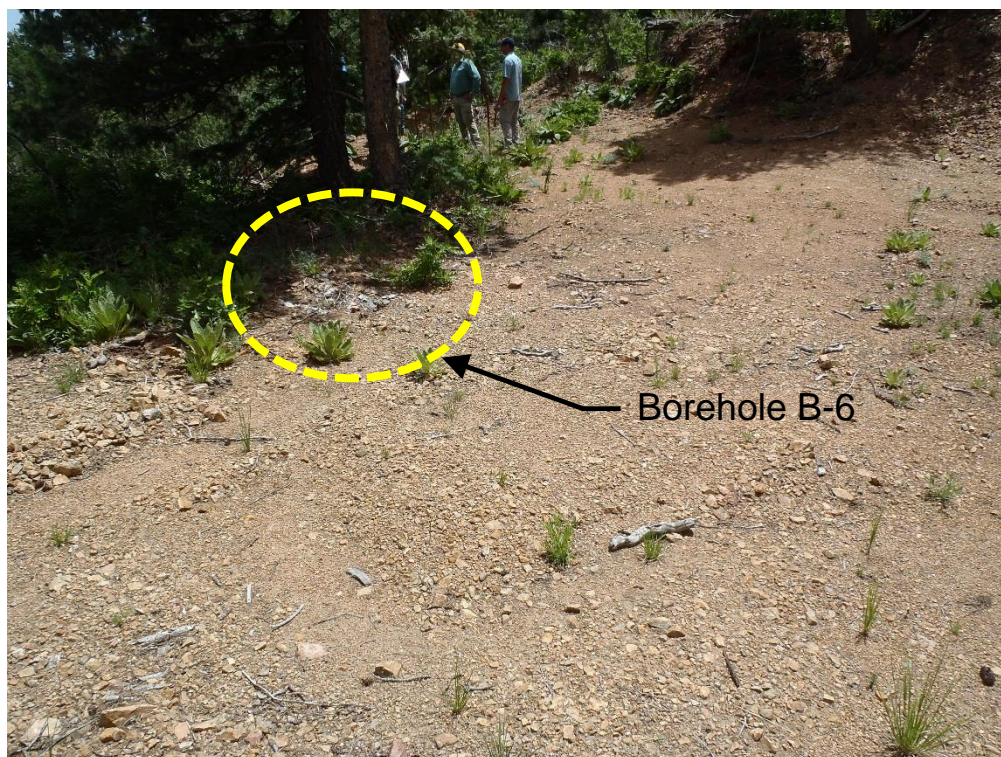


Photo 2. Borehole B-6 pad (looking SE).

PHOTOGRAPHS (cont.)



Photo 3. Treated Common Mullein on Drill Road between Boreholes B-2 and B-3.

Inspection Contact Address

Jerry Schnabel
Transit Mix Concrete Co.
444 East Costilla
Colorado Springs, CO 80903

CC: Wally Erickson, DRMS
Amy Eschberger, DRMS
DRMS file