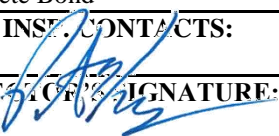




COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY
MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

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: Longmont Operation	MINE/PROSPECTING ID#: M-1994-027	MINERAL: Sand and gravel	COUNTY: Weld
INSPECTION TYPE: Monitoring	INSPECTOR(S): Peter S. Hays	INSP. DATE: June 1, 2016	INSP. TIME: 10:00
OPERATOR: Aggregate Industries - WCR, Inc.	OPERATOR REPRESENTATIVE: Connie Davis	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$350,775.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR SIGNATURE: 	SIGNATURE DATE: July 7, 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: Financial Warranty

PROBLEM/POSSIBLE VIOLATION: Problem: In response to the Division's letter dated April 30, 2010 regarding mining operations with exposed groundwater, the Operator committed to post the appropriate financial warranty for either backfilling of the pit or installing a clay liner or slurry wall prior to the commencement of mining. The Operator did not comply with the commitment to update the financial warranty for the site prior to the commencement of mining operations. This is a failure to maintain the proper financial warranty amount to complete reclamation of the affected lands pursuant to C.R.S. 34-32.5-117(4)(b) of the Act.

CORRECTIVE ACTIONS: The Operator shall submit an updated Reclamation Cost estimate pursuant to Rule 6.4.12 for backfilling of the pit for Division review and approval. Once the updated financial warranty is approved by the Division. The Operator will have 60 days from the date on the surety increase notice to post the additional financial warranty.

CORRECTIVE ACTION DUE DATE: 9/5/16

INSPECTION TOPIC: Gen. Compliance With Mine Plan

PROBLEM/POSSIBLE VIOLATION: Problem: The current mine plan needs to be updated and clarified pursuant to C.R.S. 34-32.5-112 (1)(c)(VI). The Operator must provide sufficient information to describe or identify how the Operator intends to conduct the operation.

CORRECTIVE ACTIONS: The Operator shall submit a Technical Revision, with the required \$216 revision fee, to update and clarify the current approved mine plan to reflect the existing and proposed activities by the corrective action date.

CORRECTIVE ACTION DUE DATE: 9/5/16

INSPECTION TOPIC: Signs & Markers

PROBLEM/POSSIBLE VIOLATION: Problem: The mine identification sign was not posted at the entrance of the mine site. This is a problem for failure to post a mine identification sign as required by Section 3.1.12(1) of the Rule.

CORRECTIVE ACTIONS: The Operator shall, at the entrance of the mine site, post a sign which shall be clearly visible from the access road with the following: the name of the Operator, a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board, and the permit number. The Operator shall submit photo documentation that a proper sign has been posted by the corrective action date.

CORRECTIVE ACTION DUE DATE: 8/8/16

INSPECTION TOPIC: Backfilling & Grading

PROBLEM/POSSIBLE VIOLATION: Problem: The site is utilizing off-site fill without prior approval by the Division per 3.1.5(9) of the Rule.

CORRECTIVE ACTIONS: The Operator shall provide a notarized affidavit, stating the fill is inert and addressing all requirements pursuant to Rule 3.1.5(9), which describes the intended use of inert/off-site fill by the corrective action date.

CORRECTIVE ACTION DUE DATE: 9/5/16

OBSERVATIONS

The Longmont Operation was inspected by Peter Hays with the Division of Reclamation, Mining and Safety (Division / DRMS) as part of the Division's monitoring inspection program. The site was previously inspected by the Division on February 10, 2012. Mrs. Connie Davis with Aggregate Industries (AI) was present during the inspection.

The site is approved for 213.6 permitted acres with a maximum disturbance of 25 acres at any time. The site is located east of Boulder Creek in Weld County, Colorado. The permit for the site was issued by the Division on February 9, 1996. Mining activities began in 2013 according to the annual reports submitted by the Operator. The approved Mine Plan states the site will be mined in four (4) phases with the processing plant located in the southeast corner of the site. Mining excavation will begin in the southeast corner of the site and progress to the northwest into Phase 2 and to the northeast in Phase 3 with the plant site being the last area to be mined during Phase 4. The excavation depth will be 15 to 20 feet deep with 1H:1V highwalls.

The site was active during the inspection. The site is dry mined by the use of dewatering channels and the water is discharged to Boulder Creek. As cited as a problem, the Operator is not following the approved Mine Plan for the site. Mined material is being conveyed to the adjoining Longmont Distel Operation for processing instead of on-site. The mining excavation started in the northwest corner of Phase 2 and is progressing to the south and east toward Phase 1, which differs from the approved plan. The Operator has disturbed more than the allow 25 acres at one time. The Division will require the Operator to submit a Technical Revision, with the required \$216 revision fee, to update and clarify the current approved Mine Plan to reflect the existing and proposed activities by the corrective action date.

The approved post mining land use for the site is wildlife habitat. The approved Reclamation Plan states the site will be reclaimed to either an open water or sealed water storage reservoir with 3H:1V and 2H:1V slopes. During the inspection, the Operator stated the site would not be lined with a slurry wall or reclaimed as an

open water pond. Instead, the site will be backfilled with on-site and imported fill material to eliminate any exposed water at the site. As cited as a problem, the Operator must submit an affidavit, as required by Rule 3.1.5(9), for the fill material generated outside of the approved permit area for the material placed in Phase 1 and 2 and for all future imported material at the site. Additionally, the Division will require the Operator to submit an amendment application to change the post mining land use from wildlife habitat to rangeland in the future.

A financial warranty in the amount of \$350,775 is held by the Division to complete reclamation at the site. In response to the Division's letter dated April 30, 2010 regarding mining operations with exposed groundwater, the Operator committed to post the appropriate financial warranty for either backfilling of the pit or installing a clay liner or slurry wall. As cited as a problem, the Operator did not comply with the commitment to update the financial warranty at the site prior to commencement of mining operations. The Division will require the Operator to revise the financial warranty by the corrective action date.

An inspection map was created by the Division based on Google Earth Pro images and GPS points collected with a Trimble Juno 3B during the inspection. The results of the map indicate the Operator has disturbed 54.9 acres, which is more than the currently approved 25 acre maximum disturbance. This problem will need to be address by the Operator as part of the required technical revision to the Mine Plan and financial warranty cost estimate.

The Operator appeared to be in compliance with the required 120 foot offset from Boulder Creek for the mining activities. The Division estimated the mining excavation depth at 12 feet. No noxious weeds were identified during the inspection. Evidence of previous weed control spraying was observed. Fuel storage was observed in the northeast corner of the active area and appeared to be properly contained for spills. Photographs taken during the inspection are attached.

PHOTOGRAPHS



Looking north from SE corner of mining disturbance



Looking NW from SE corner of mining disturbance at backfill area



Looking SW from north end of mining disturbance at conveyor



Looking east from SW corner of mining disturbance



Looking NE from SW corner of mining disturbance



Looking north from SW corner of mining disturbance



Looking north at backfill area along east side of site



Looking south at backfill area along east side of site



Looking west from east access road



Looking NW from east access road

GENERAL INSPECTION TOPICS

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

(AR) RECORDS----- <u>N</u>	(FN) FINANCIAL WARRANTY----- <u>PB</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>PB</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>N</u>
(SM) SIGNS AND MARKERS----- <u>PB</u>	(SW) STORM WATER MGT PLAN---- <u>N</u>	(CI) COMPLETE INSP---- <u>Y</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>

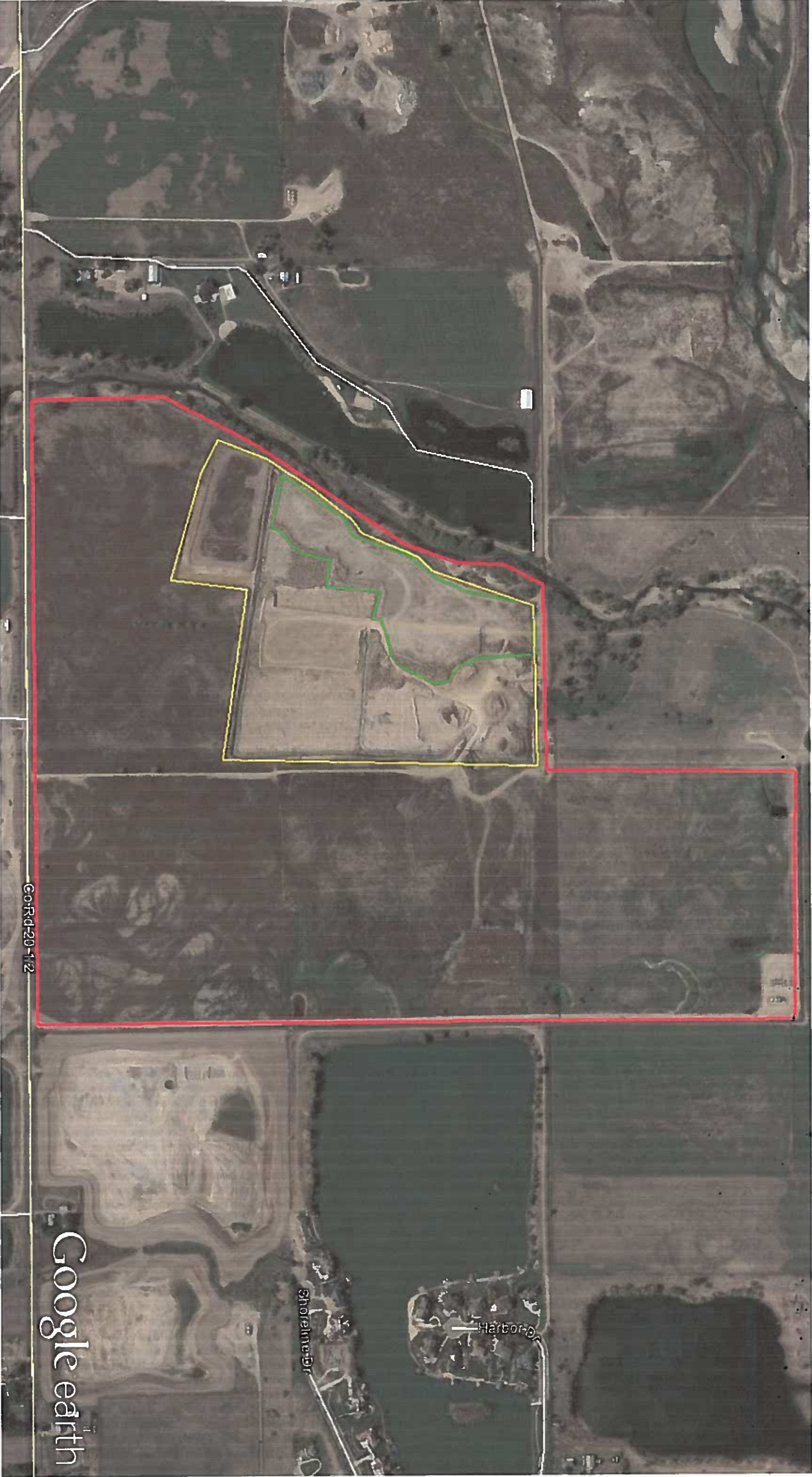
Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

Inspection Contact Address

Mrs. Connie Davis
Aggregate Industries - WCR, Inc.
1687 Cole Blvd., Ste. 300
Golden, CO 80401

Enclosure – DRMS Inspection Map

Cc: Wally Erickson, DRMS



M-1994-027 – Longmont Operation (aka Tull Farm)

Report Year Ended December 31, 2015

Total Affected Area – 47 +/- acres
Backfilled – 12.0 +/- acres

Disturbances	+/- ac.
2015	21.00
Prior Years	26.00
Reclamation	
2015 - Backfilled	8.0
Prior Years Backfilled	4.0