

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:	MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
Black Obsidian	M-1987-026	Stone	Custer
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring	Tyler V. O'Donnell	March 15, 2016	10:00
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Colorado Quarries Inc	Aaron Tezak	110c - Construction Limited Impact	
REASON FOR INSPECTION:	ROND CALCULATION TYPE:	ROND AMOUNT:	

REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:
Normal I&E Program	Complete Bond	\$66,400.00
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:
NA	None	U.S.BLM
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:
Windy	Tyler O'Donnell	July 12, 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>Y</u>	(RD) ROADS <u>Y</u>
(HB) HYDROLOGIC BALANCE <u>Y</u>	(BG) BACKFILL & GRADING $\underline{\mathbf{Y}}$	(EX) EXPLOSIVES <u>N</u>
(PW) PROCESSING WASTE/TAILING N	(SF) PROCESSING FACILITIES \underline{Y}	(TS) TOPSOIL \underline{Y}
(MP) GENL MINE PLAN COMPLIANCE- Y	(FW) FISH & WILDLIFE \underline{Y}	(RV) REVEGETATION <u>Y</u>
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN N	(CI) COMPLETE INSP Y
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION \underline{Y}	(RS) RECL PLAN/COMP Y
(AT) ACID OR TOXIC MATERIALS <u>Y</u>	(OD) OFF-SITE DAMAGE <u>Y</u>	(ST) STIPULATIONS N

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

OBSERVATIONS

This normal routine monitoring inspection was conducted by Tyler O'Donnell of the Division of Reclamation, Mining and Safety (Division). Colorado Quarries Inc. (Operator), was represented by Aaron Tezak during the inspection. The Bureau of Land Management (BLM), the mineral rights owner for the site, was represented by William Jenkins during the inspection.

The Black Obsidian quarry reclamation permit is located in Custer County approximately 1 mile north-northeast of Silver Cliffe, Colorado. The Black Obsidian quarry is a 9-acre 110c Construction Materials Reclamation Permit. The permit was issued in November 1978. The primary commodity being mined at the site is decorative rock. The approved post-mining land use is rangeland.

No problems or possible violations were observed during the inspection. During the inspection, the sky was slightly overcast. The ground was dry. The site was not active during the inspection, there was mining equipment on site. The Operator had mobilized in a crusher and had been recently processing and stockpiling material. It appears that the site sees frequent mining activities, mostly hauling out of stockpiles. At the present time it appears that the mining operation had affected approximately 3 acres. Mining was progressing to the north, product was being stockpiled along the southern portion of the current disturbance, near the access road.

Backfilling and Grading:

There was a highwall along the northern portion of the site. The highwall was approximately 275 feet long and had an average height of approximately 20 feet. The site currently daylights to the south.

Financial Warranty:

The current amount of financial warranty the Operator has on deposit with the State is \$66,400. The reclamation cost estimate for this site was updated during the file review for this inspection. It was determined that the current required financial warranty amount is adequate.

Hydrologic Balance:

The bottom of the pit was mostly dry. No exposed groundwater was observed during the inspection. There was no evidence of excessive erosion. There appeared to be no significant impacts to the prevailing hydrologic balance.

Gen. Compliance With Mine Plan:

The operation appeared to be following the approved mine plan. All mining activity appeared to be within the approved permit boundary.

Roads:

The haul road and access roads were stable and well maintained.

Reclamation Success:

There was an approximate .25 acre area along the eastern side of the pit, where the Operator has begun to complete reclamation. The area has been backfilled, graded, and has had topsoil spread over it. The .25 acre area has begun to establish well will with desired vegetative cover. The area has begun to fill in with rabbit brush, a variety of wheatgrasses and what appears to be sand drop seed. The .25 acres appeared to be stable, no excessive erosion was observed.

Revegetation:

There was sparse plant growth throughout the affected lands, with the exception of the .25 acres where reclamation is taking place. The growth in the affected area appeared to be primarily volunteer vegetation, comprised of native vegetation, native grasses and a few annual weeds. A few common mullein were observed throughout the site. Most of the mullein were growing in the pit, a few plants were observed on the area in reclamation. Due to the limited number of mullein observed, the Division will not cite a problem for failure to control noxious weeds. However, the Operator is encouraged to continue to monitor and treat noxious weeds as they appear in the permit boundary. If the population of mullein increases the Division may cite a problem during a future inspection.

Erosion/Sedimentation:

There was no evidence of excessive erosion (rills, gullies, or sediment fans).

Signs and Markers:

A mine I.D. sign was located at the entrance to the mine site. The permit boundary was marked by t-posts and a barbwire fence.

Topsoil:

There was a well vegetated topsoil stockpile located in the southeastern portion of the affected land. The topsoil stockpile has begun to fill in well with volunteer vegetation. Vegetative cover on the topsoil stockpiles is composed of annual weeds and native vegetation, mostly grasses.

Inspection Contact Address

Aaron Tezak Colorado Quarries Inc 270 S 15th St Canon City, CO 81212

cc: Wally Erickson, DRMS

William Jenkins BLM, Royal Gorge Field Office 3028 East Main Street Canon City, Colorado 81212

PHOTOGRAPHS



Photo 1: Waste Rock in the foreground, crusher in the background.



Photo 2: highwall.



Photo 3: Portion of the .25 acre area undergoing reclamation.

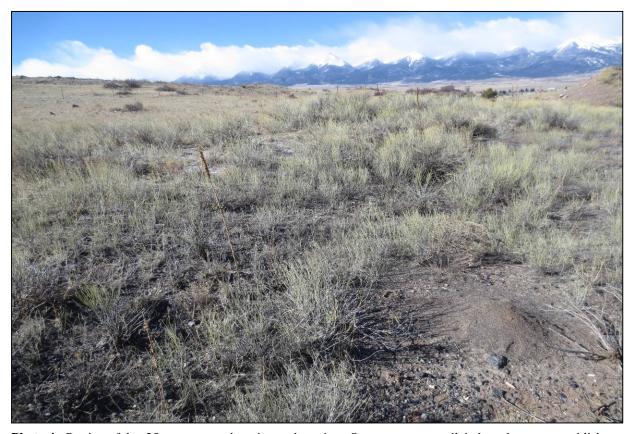


Photo 4: Portion of the .25 acre area undergoing reclamation. Some common mullein have begun to establish.