


**COLORADO**Division of Reclamation,
Mining and Safety

Department of Natural Resources

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: Ferrero Pit	MINE/PROSPECTING ID#: M-2000-028	MINERAL: Sand and gravel	COUNTY: Huerfano
INSPECTION TYPE: Monitoring	INSPECTOR(S): Tyler V. O'Donnell	INSP. DATE: May 12, 2016	INSP. TIME: 11:00
OPERATOR: Mike A Ferrero	OPERATOR REPRESENTATIVE: Mike Ferrero	TYPE OF OPERATION: 110c - Construction Limited Impact	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$13,887.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: August 11, 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>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</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>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(CI) COMPLETE INSP---- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>Y</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

OBSERVATIONS

This normal routine monitoring inspection was conducted by Tyler O'Donnell of the Division of Reclamation, Mining and Safety (Division). Mike Ferrero (Operator), was present during the inspection.

The Ferrero Pit is located in Huerfano County approximately 12 miles south/southeast of Walsenburg, Colorado. The Ferrero Pit is a 7.30-acre 110c Construction Materials Reclamation Permit. The primary commodity that was mined at the site was sand and gravel. The 110c Construction Materials Reclamation Permit was issued in April 2000. The approved post-mining land use is rangeland. The mine site was surrounded by the following land uses: rangeland and rural residential.

No problems or possible violations were observed during the inspection. During the inspection, the sky was clear and the ground was dry. The site has remained inactive for what appears to be a long period of time. At the present time it appears that the mining operation has affected approximately 2.25 acres throughout the life of mine. The Operator has been conducting partial concurrent reclamation. Many of the pit slopes have been graded to 3H:1V or flatter, there were a few shallow, near vertical remnants of old mining faces. There was no evidence of excessive erosion. There appeared to be no significant impacts to the prevailing hydrologic balance. The stormwater that falls on the affected lands would be captured within the pit. There was a topsoil stockpile along the western portion of the affected lands. The amount of topsoil salvaged appears to be adequate to complete final reclamation. Much of the site has begun to fill in with volunteer vegetation. No noxious weeds were observed. 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.

CONCLUSION

It appears that the site is inactive and will either need to be placed in Temporary Cessation or the Operator will need to commence final reclamation. Based on statements made by the Operator's representative during the inspection, it appears that the Operator plans on conducting final reclamation at the site soon. The Operator's representative stated that he would like to try to get the final earthwork done within the next few months and then reduce the required financial warranty. Once the Operator has completed final grading and has spread the topsoil, the Division might be able to reduce the required financial warranty amount. The Division would be able to reduce the required financial warranty amount to reflect the remaining reclamation liability. Please see the enclosed Surety Reduction request form.

Inspection Contact Address

Mike Ferrero
591 County Rd. 315
Walsenburg, CO 81089

Enclosure: Surety Reduction request form

cc: Wally Erickson, DRMS
Michael Cunningham, DRMS

PHOTOGRAPHS







COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY

1313 Sherman Street, Room 215, Denver, Colorado 80203 ph(303) 866-3567

REQUEST FOR FULL OR PARTIAL RELEASE OF PERMIT AREA/SURETY REDUCTION

Please indicate if you are requesting:

FULL/FINAL RELEASE OF ENTIRE PERMITTED AREA (per Rule 4.17) _____

ACREAGE REDUCTION (PARTIAL RELEASE per Rule 4.17) _____

I wish to release _____ acres at this time.

You will need to submit with this request: a map showing the acreage to be released from the current permit and updated mining and reclamation plan maps that will accurately depict the new permit boundary if the release is approved.

SURETY (Bond) REDUCTION (per Rule 4.14) _____

If you are requesting a surety (bond) reduction you will need to include with this request a new estimate of the actual cost to reclaim the site based on what it would cost an independent contractor to complete reclamation, including unit costs for reclamation activities as appropriate to the operation to comply with the provisions of Rule 3.1 and the Permit's approved Reclamation Plan.

File No.: M- _____ Site Name: _____

County: _____

Permittee: _____

Permittee Address: _____

Operator (If Other than Permittee): _____

Permittee Representative: _____

Certified Mail# _____

In accordance with Rule 4.17.1(2) the Operator shall include the names, addresses and phone numbers of all owners of record to the affected land. Please attach additional sheets for this information if required.

Continue on following page..

In accordance with Rule 4.17.1(4), if requesting a full or partial acreage release the Operator or their agent MUST sign that they have complied with the following statement: “All applicable portions of the Reclamation Plan requirements have been satisfied in accordance with these Rules and all applicable requirements under the Act.”

Signature of Permittee, Operator or their authorized agent

Date

Important: In accordance with Rules 4.14.2(a) and 4.17.1(3) This release request must be submitted to the Division via certified mail and separate from any other correspondence to the Division.