

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:		MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
McEndaffer Mine		M-2010-034	Borrow material	Weld
INSPECTION TYPE:		INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Preoperation Inspection		Peter S. Hays	August 2, 2016	10:15
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Syzygy Enterprises LLC		Jim McFarland	110c - Construction Limited Impact	
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:	
Pre-Operation Inspection		None	\$17,000.00	
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:	
NA		None	None	
WEATHER:	INSPECTOR'S SIGNATURE:		SIGNATURE DATE:	
Clear	An		August 17, 2016	
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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>N</u>	(RD) ROADS <u>N</u>
(HB) HYDROLOGIC BALANCE <u>N</u>	(BG) BACKFILL & GRADING <u>N</u>	(EX) EXPLOSIVES <u>N</u>
(PW) PROCESSING WASTE/TAILING <u>N</u>	(SF) PROCESSING FACILITIES \underline{Y}	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>N</u>	(FW) FISH & WILDLIFE <u>N</u>	(RV) REVEGETATION <u>N</u>
(SM) SIGNS AND MARKERS Y	(SP) STORM WATER MGT PLAN <u>N</u>	(CI) COMPLETE INSP \underline{Y}
(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

OBSERVATIONS

This was a conversion application pre-operational inspection of the McEndaffer Mine conducted by Peter Hays with the Division of Reclamation, Mining and Safety (Division/DRMS). Mr. Jim McFarland with Syzygy Enterprises LLC was present during the inspection.

The 110c to 112c construction materials permit application was received by the Division on April 7, 2016. The application was deemed complete on June 21, 2016. The decision due date is September 19, 2016. The Applicant published public notice as required by Rule 1.6.2(d) for four consecutive weeks. The last notice was published on July 16, 2016. The public comment for the application ended on August 5, 2016. No objections were received by the Division during the public comment period. The notice sign was observed during the inspection as required by Rule 1.6.2(b).

The conversion application will increase the permitted area from 9.99 acres to 31.94 acres, an increase of 20.95 acres. The 110c mine site was inactive during the inspection. The current and conversion areas will be mined as a single phase. The conversion area consisted of rangeland dominated by sage brush and native grasses. The proposed post mining land use for the current and conversion areas is rangeland. No groundwater will be encountered during mining operation.

The Division currently holds a financial warranty in the amount of \$17,000, which is not adequate to perform final reclamation of the current and proposed mine site disturbances. The Division will recalculate the required financial warranty was part of the conversion application adequacy review process. The Division sent a copy of the first adequacy review letter to the Applicant on August 9, 2016.

The Operator is screening the current topsoil stockpiles to remove the rock. The Operator estimated 2000 to 2500 tons of material will be screened and stockpiled. The screened topsoil from the current 9.9 acre site will be placed in the southeast corner of the site. The Operator was remind of the requirement to vegetation the stockpile to prevent erosion. The Operator intends to screen the topsoil stripped from the conversion area and stockpile the topsoil in the northwest corner of the pit floor. The south end of the existing mine area has been regraded since the previous inspection. An erosion control berm was constructed around the perimeter of the area. The Operator stated the area would be topsoiled and seeded this fall.

The Division GPS surveyed the boundary markers for the conversion area using a Trimble Juno 3B. The results of the survey are represented on the attached inspection map. The main mine site parcel was measured at 30.09 acres, which confirms the 30.12 acre site in the legal description provided by the Applicant. The east and west turnouts and the scale house were not GPS surveyed due to the lack of boundary marker posts along the access road. A map of the GPS survey results is attached.

Three problems were cited during the October 1, 2015 inspection for lack of affected area boundary markers, land being affected outside the approved permit boundary by the construction of the scale house and erosion gullies along the east side of the site. The erosion features have been repaired and erosion control structures were constructed by the Operator. All erosion disturbance is contained within the new conversion permit boundary. The Operator has installed new boundary markers for the conversion area and included the scale house disturbance into the conversion application. All three problems will be resolved with the issuance of the conversion application.

Photographs taken during the inspection of the current and pre-operational mine areas are attached.

Inspection Contact Address

Mr. Rick Miller Syzygy Enterprises LLC 2519 11th Ave Unit A Box 223 Greeley, CO 80631

Enclosure – Inspection map

Ec: Wally Erickson, DRMS

PHOTOGRAPHS



McEndaffer Mine sign



Conversion application notice sign



Erosion control structures along northeast pit floor



Topsoil screening plant and stockpiles



View of rangeland from post north of pit entrance



View of rangeland from NW corner looking northeast



View of rangeland and current mine site from NW corner looking east



View of rangeland and current mine site from NW corner looking southeast



View of rangeland and current mine site from NW corner looking south



View of rangeland and current mine site from north corner looking south

McEndaffer Mine

August 2, 2016 Pre-Operational Inspection Map M-2010-034

Legend

- Approx. 9.9 acre topsoil stockpile location
- Approx. Scale House Location
- Approx. conversion area topsoil stockpile location

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- Permit Area
- SYZYGY McEndaffer Mine

SYZYGY McEndaffer Mine

