

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:		
Eagle-Gypsum Mine		M-1984-041	Anhydrite, gypsum	Eagle		
INSPECTION TYPE:		INSPECTOR(S):	INSP. DATE:	INSP. TIME:		
Monitoring		Travis H. Marshall	September 1, 2016	10:00		
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:			
American Gypsum Company LLC		Jared Rhea and Brian Bloess	112c - Construction Regular Operation			
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:			
Normal I&E Program		Complete Bond	\$1,429,700.00			
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:			
NA		U.S.BLM	None			
WEATHER:	INSPECTOR'S SIGNATURE:		SIGNATURE DATE:			
Clear	2. and		September 19, 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 Y	(RD) ROADS <u>Y</u>
(HB) HYDROLOGIC BALANCE <u>Y</u>	(BG) BACKFILL & GRADING <u>Y</u>	(EX) EXPLOSIVES <u>NA</u>
(PW) PROCESSING WASTE/TAILING <u>NA</u>	(SF) PROCESSING FACILITIES Y	(TS) TOPSOIL <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE <u>Y</u>	(RV) REVEGETATION Y
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN <u>NA</u>	(CI) COMPLETE INSP \underline{Y}
(ES) OVERBURDEN/DEV. WASTE <u>Y</u>	(SC) EROSION/SEDIMENTATION Y	(RS) RECL PLAN/COMP Y
(AT) ACID OR TOXIC MATERIALS <u>Y</u>	(OD) OFF-SITE DAMAGE <u>Y</u>	(ST) STIPULATIONS <u>NA</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 inspection was conducted as part of the routine monitoring program established by the Colorado Division of Reclamation, Mining and Safety (DRMS). The Eagle-Gypsum Mine is a 112c permitted site consisting of 830 acres located approximately 1.5 miles north of Gypsum, Colorado. Brian Bloess and Jared Rhea of American Gypsum Company LLC and Jessica Lopez Pearce with the BLM Colorado River Valley Field Office were both present during the inspection.

The mine identification sign was in place and in compliance with rule 3.1.12. The sign is posted on the gate located at the main entrance to the mine.

The inspection started near the mine office. A reclaimed equipment storage area was observed southeast of the mine office. The Class C list noxious weed Halogeton was observed near the reclaimed storage area. In order to minimize the spread of Halogeton and aid in future revegetative success the operator must implement weed control efforts immediately. The infestation is not considered a problem at this time but documentation of the infestation in this inspection report will be used as a tool to compare whether or not demonstrated weed control efforts have been implemented effectively during future inspections. Adequate secondary containment for onsite fuel and toxic chemicals was observed during the inspection.

Mr. Rhea stated that the mined out depression south of the mine office could potentially be backfilled with overburden from the active mining area. In order to implement this proposed activity into the mining and reclamation plan a technical revision must be submitted and approved prior to commencement.

Reclamation of the outslopes of the mined out area was observed. The operator stated that recent significant precipitation events occurred a few days prior to the inspection and no significant erosional features formed due to proper regrading and stormwater management methods.

Active mining was observed in northeast section of the permit area. Large stockpiles of gypsum along with stockpiles of overburden were observed at various locations within the active mine area. Haul trucks, loaders and rotor-mills were observed working the mine floor.

Reclamation observed during the inspection was located on the slopes located north of the active mining area. The slopes are reclaimed and appear to be no steeper than 3H:1V. The vegetation observed included desirable established annual grass species along with slash placed perpendicular to the dip of the slope. Due to adequate vegetation and correctly placed woody debris the reclaimed slopes were void of any significant erosional features.

A reclamation cost estimate for the site was performed as part of this inspection and the currently held reclamation bond in the amount of \$1,429,700.00 exceeds the estimated \$1,001,856.94 cost to reclaim the current disturbance.

Photos that show the conditions observed during the inspection are included at the end of this report.

No problems or violations were noted or observed during the September 1, 2016 inspection.

Responses to this inspection report should be directed to Travis Marshall at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 South 3rd Street, Room 301, Grand Junction, Colorado 81501, phone no. 970-241-2042.

PERMIT #: M-1984-041 INSPECTOR'S INITIALS: THM INSPECTION DATE: September 1, 2016

















Inspection Contact Address

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