




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: Alamosa Pit No. 2	MINE/PROSPECTING ID#: M-1983-175	MINERAL: Sand and gravel	COUNTY: Alamosa
INSPECTION TYPE: Monitoring	INSPECTOR(S): Amy C. Yeldell	INSP. DATE: October 5, 2016	INSP. TIME: 10:00
OPERATOR: Southwest Ready-Mix, Inc.	OPERATOR REPRESENTATIVE: Ralph Martinez	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$736,602.55	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: October 17, 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>Y</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>N</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>N</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>N</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>NA</u>	(OD) OFF-SITE DAMAGE----- <u>N</u>	(ST) STIPULATIONS----- <u>Y</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 Colorado Division of Reclamation, Mining and Safety normal monitoring program. The Alamosa Pit No. 2 is a 112c sand and gravel operation that consists of 40 acres. Ralph Martinez represented the operator and accompanied Amy Yeldell of the Division on the inspection. The site is located in Alamosa County approximately five mile northeast of Alamosa, Colorado and is accessed from Road 112S.

The site was active at the time of the inspection. A front end loader was observed loading the wash plant and hauling material. A fuel tank was stored inside of a trailer.

The mine identification sign and affected area boundary markers are in place and in compliance with Rule 3.1.12. The permit boundary is completely fenced. The site is accessed from the eastern side where a gate is located. The mine sign was posted at the boundary entrance.

Topsoil for this site is stored at the King Pit (M-1987-012). This site does not have water rights so all exposed ground water will be backfilled. This backfill material is primarily imported from the King Pit in the form of fines and excess overburden. Also some of the waste material/fines that are processed on site are used for backfill material. Currently there are several ponds throughout the site with exposed water. The water is approximately 5-10' deep and covers 15-20 acres site wide. Pond highwalls appear to be near vertical. Mining has progressed up to the northern permit boundary. This highwall will require backfill. The southern pit boundaries may be cut and fill since the access road is between the pit and the permit boundary. Approximately 5-7 acres are currently being mined and or have been stripped in preparation for mining.

Approximately 5 acres still remains unmined. This area is the southwest corner of the permit and the access road that is approximately 24 ft. wide and runs along the southern boundary.

The eastern ~13 acres has been mined out and partially reclaimed. One of the pit ponds has been backfilled and has some vegetation growing on it. There is a good amount of volunteer willows growing in these areas since the water table is so close to the surface. Excess material is stockpiled adjacent to the mine entrance. Stockpiles are stable and generally sloped 2:1. They are up to 20' tall and organized into several piles based on material class. Areas under the stockpiles and the road will need to be ripped if not mined out to prevent excessive compaction.

Some tiers and excess material is stockpiled in the southwest corner of the site. All material is sorted neatly and will be removed upon completion of mining.

Little to no weeds were observed. During the inspection the neighbor's goats were observed browsing throughout the property. This in addition to regular chemical application have kept weed populations under control. Upon final reclamation the operator may need to repair fences to exclude the goats to prevent over grazing of young plants.

The Division currently holds a financial warranty amount of \$736,602 for this site. The bond was last calculated in 2013 with the approved surety reduction SR-2. In an effort to ensure the Financial Warranty adequately, reflects the actual current cost of fulfilling the requirements of the approved reclamation plan the

Division will be updating the reclamation cost estimate. You will be notified under a separate cover if the financial warranty is found to be insufficient.

No problems or violations were noted during this inspection.

Responses to this inspection report should be directed to: Amy Yeldell at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 970-254-8511 or via email at amy.yeldell@state.co.us

PHOTOGRAPHS



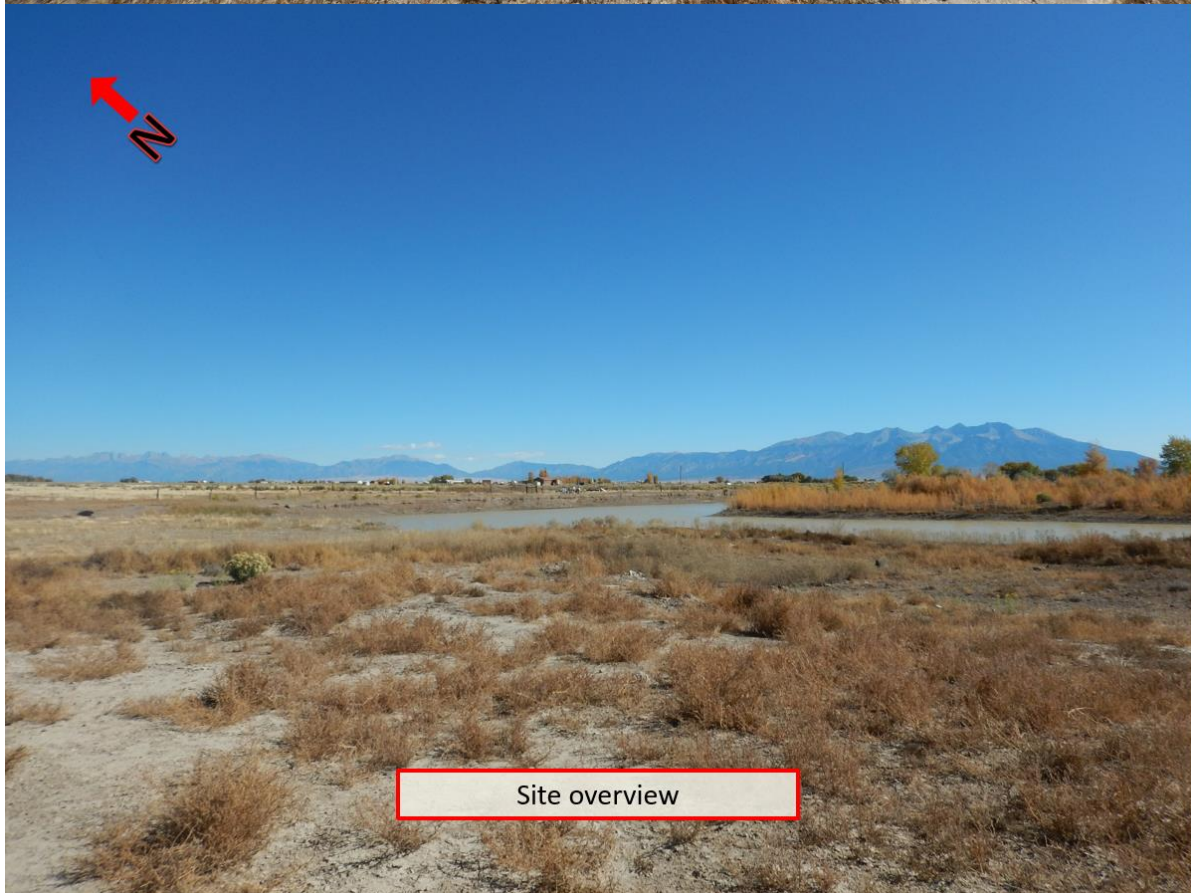


Stockpiles of processed material



Partially backfilled pond









Inspection Contact Address

Ralph Martinez
Southwest Ready-Mix, Inc.
117 White Pine Dr
Alamosa, CO 81101

Enclosure

EC: Russ Means, Senior EPS, GJFO DRMS