



COLORADO

Division of Reclamation,
Mining and Safety

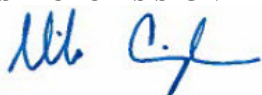
Department of Natural Resources

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: Flying Horse Pit	MINE/PROSPECTING ID#: M-2013-012	MINERAL: Borrow material	COUNTY: Park
INSPECTION TYPE: Monitoring	INSPECTOR(S): Michael A. Cunningham	INSP. DATE: October 13, 2016	INSP. TIME: 10:00
OPERATOR: Kirkland Construction, R.L.L.P.	OPERATOR REPRESENTATIVE: None	TYPE OF OPERATION: 111 - Construction by Government Agency	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$75,000.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: October 20, 2016

The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.

INSPECTION TOPIC: Signs & Markers

PROBLEM/POSSIBLE VIOLATION: Problem: The mine identification sign was not posted at the entrance of the mine site. This is a problem for failure to post a mine identification sign as required by Section 3.1.12(1) of the rule.

CORRECTIVE ACTIONS: The operator shall, at the entrance of the mine site, post a sign which shall be clearly visible from the access road with the following: the name of the operator, a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and the permit number. The operator shall submit photo documentation that a proper sign has been posted by the corrective action date.

CORRECTIVE ACTION DUE DATE: 11/21/16

OBSERVATIONS

The inspection was conducted by Michael Cunningham of the Division of Reclamation, Mining and Safety (Division). The Operator was contacted prior to the inspection, but elected not to attend. The Flying Horse Pit is located 2.5 miles north of Jefferson, Colorado. The operation is permitted for 30 acres and the post-mining land use is rangeland.

Financial Warranty:

The Division currently holds a financial warranty in the amount of \$75,000. The Division has determined this amount is adequate to complete reclamation of the site.

Gen. Compliance With Mine Plan:

The operation was not active at the time of the inspection. According to the 2016 Annual Report, the last date of excavation, processing or hauling activity occurred in 2013. Pursuant to C.R.S. 34-32.5-111(2)(a), an Operator may continue to operate under a Special 111 Reclamation Permit until the contractual reason for such operations has been completed. Therefore, if the project associated with the issuance of the Reclamation Permit has concluded, then no more mining may occur at the site.

A scale and scale house are located at the site entrance, no equipment was observed within the pit. There were numerous product stockpiles remaining on the pit floor. The product stockpiles will either need to be hauled from the site or graded into the pit floor and pit walls. The pit walls along the western boundary and portions of the southern boundary were not disturbed and are at a 3H:1V angle and are vegetated. The pit walls around the remainder of the site are nearly vertical at the natural angle of repose. The Division estimates there are 1,400 ft. of highwall which will need to be graded. The pit floor lies approximately 10 ft. below the natural ground surface.

Reclamation Success:

Based on observations made during the inspection and the information provided in the Annual Report, no reclamation has been performed to date. As required by Rule 3.1.3, all reclamation must be carried to completion within five years from the date the Operator informs the Division that mining is complete and reclamation has commenced. Since mining ceased in 2013, reclamation of the site should be carried to completion with all reasonable diligence by 2018. The Division encourages the Operator to commence reclamation as soon as is practical. The earthwork which must be completed at the site can be done within a single construction season. However, establishing vegetation at the site could take considerably longer.

Signs and Markers:

There was no permit sign posted at the site entrance as required by Rule 3.1.12(1). This has been cited as a problem and will require corrective action by the Operator; please see the first page of this report for additional information.

Topsoil:

The Division observed topsoil stockpiles along the top of the pit walls. The stockpiles were stable and did not show any signs of erosion.

This concluded the inspection.

PHOTOGRAPHS



1. Product stockpiles on pit floor.



2. Unreclaimed pit walls.



3. Topsoil stockpiles.



4. Scale house and scale.

GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(AR) RECORDS----- <u>N</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>N</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>NA</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>PB</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>N</u>

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

Inspection Contact Address

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