



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: NCCI Pit #1	MINE/PROSPECTING ID#: M-2001-107	MINERAL: Sand and gravel	COUNTY: Weld
INSPECTION TYPE: Monitoring	INSPECTOR(S): Peter S. Hays	INSP. DATE: March 22, 2017	INSP. TIME: 11:00
OPERATOR: Northern Colorado Constructors, Inc. Aggreg	OPERATOR REPRESENTATIVE: Chris Zadel, J.C. York	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Partial Bond	BOND AMOUNT: \$486,745.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: May 2, 2017	

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>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>Y</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>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>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

The NCCI Pit #1 was inspected by Peter Hays with the Division of Reclamation, Mining and Safety (Division/DRMS) as part of the Division's monitoring inspection program. Mr. Chris Zadel with Northern Colorado Constructors, Inc. and Mr. J.C. York with J&T Consulting, Inc. were present during the inspection. The site was previously inspected by the Division on February 1, 2013.

The Division currently holds a financial warranty in the amount of \$486,745.00, following approval of the Operator's surety reduction request (SR-02) on October 15, 2014. The financial warranty amount is adequate to complete reclamation at the site based on the observations from this inspection.

A substitute water supply plan is approved for the site by the Colorado Division of Water Resources. The Operator is allowed to expose 9.75 acres of water in multiple ponds and ditches, including process ponds, sedimentation ponds, dewatering ditches and recharge ditches. The Operator has complied with the Division's requirement for long-term groundwater augmentation by providing sufficient bond to install a clay liner.

The site was active during the inspection. Sand and gravel extraction was occurring in the northwest corner of Phase 13 and in the center of Phase 3. The excavation was approximately thirty (30) feet deep. The southern and northern portions of the main site were dewatered and are 95% mined out with only the pit floor remaining to be cleaned up. The main processing plant was operational. The material under the processing plant will be used to backfill the perimeter highwalls during reclamation. The KPK gas well located in Phase 5 and the Kerr McGee gas well in Phase 3 are abandoned according to the Operator. A secondary processing plant was located on the pit floor in the northwest corner of Phase 6.

The amendment mining area was filled with groundwater. The northern portion of the area is mined out. The southern portion of the area is 90% mined with the southwest and eastern portions of the area remaining to be mined. The gas line separating the amendment mining areas has been removed and the gas line berm will be mined in the future. Overburden and topsoil stockpiles were observed in the northwest and southeast corners of the amendment area.

The approved post-mining land use for the site is developed water resources. The Operator plans to start construction of the clay liner in Phase 13 this year and continue the liner around the perimeter of the site in a clockwise pattern.

A mine sign and boundary markers were observed as required by Rule 3.1.12. The status of the site was well represented in the 2017 Annual Report. No problems were noted during the inspection. Photographs taken during the inspection are attached. A copy of the current Mine Plan Map is attached for reference.

Inspection Contact Address

Mr. Chris Zadel
Northern Colorado Constructors, Inc.
9075 WCR 10
Ft. Lupton, CO 80621

Ec: Wally Erickson, DRMS

PHOTOGRAPHS



NCCI Pit #1 mine sign



View of Phases 12 and 7 from processing plant area looking northeast



View of Phases 12, 7 and 6 from processing plant area looking north



View of Phase 6 from processing plant area looking northwest



View of Phases 3, 4 and 5 from the NW corner of Phase 3 looking southeast



View of Phases 3, 4, 5 and 13 from the SW corner of Phase 3 looking northeast



View of Phases 13, 11 and 5 from the NE corner of Phase 13 looking southwest



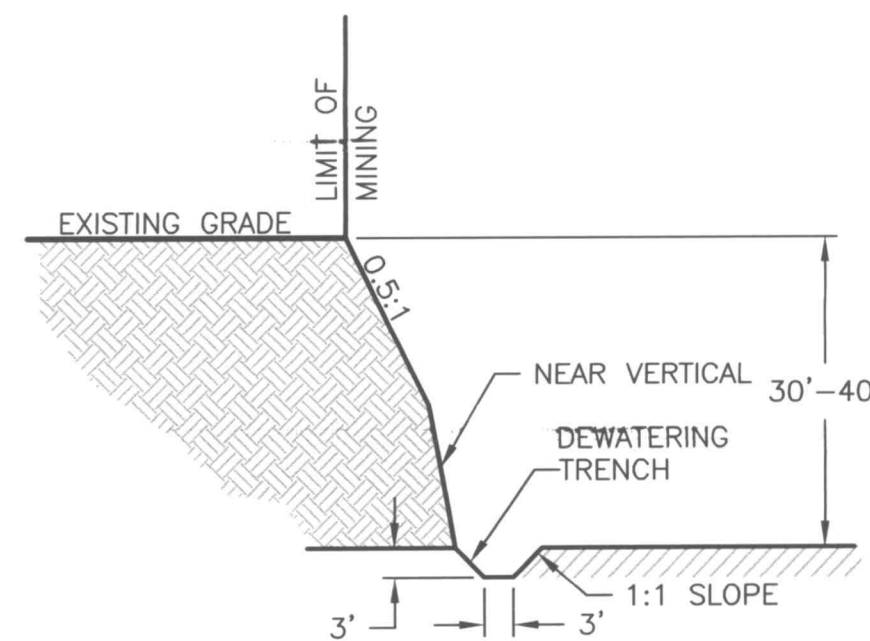
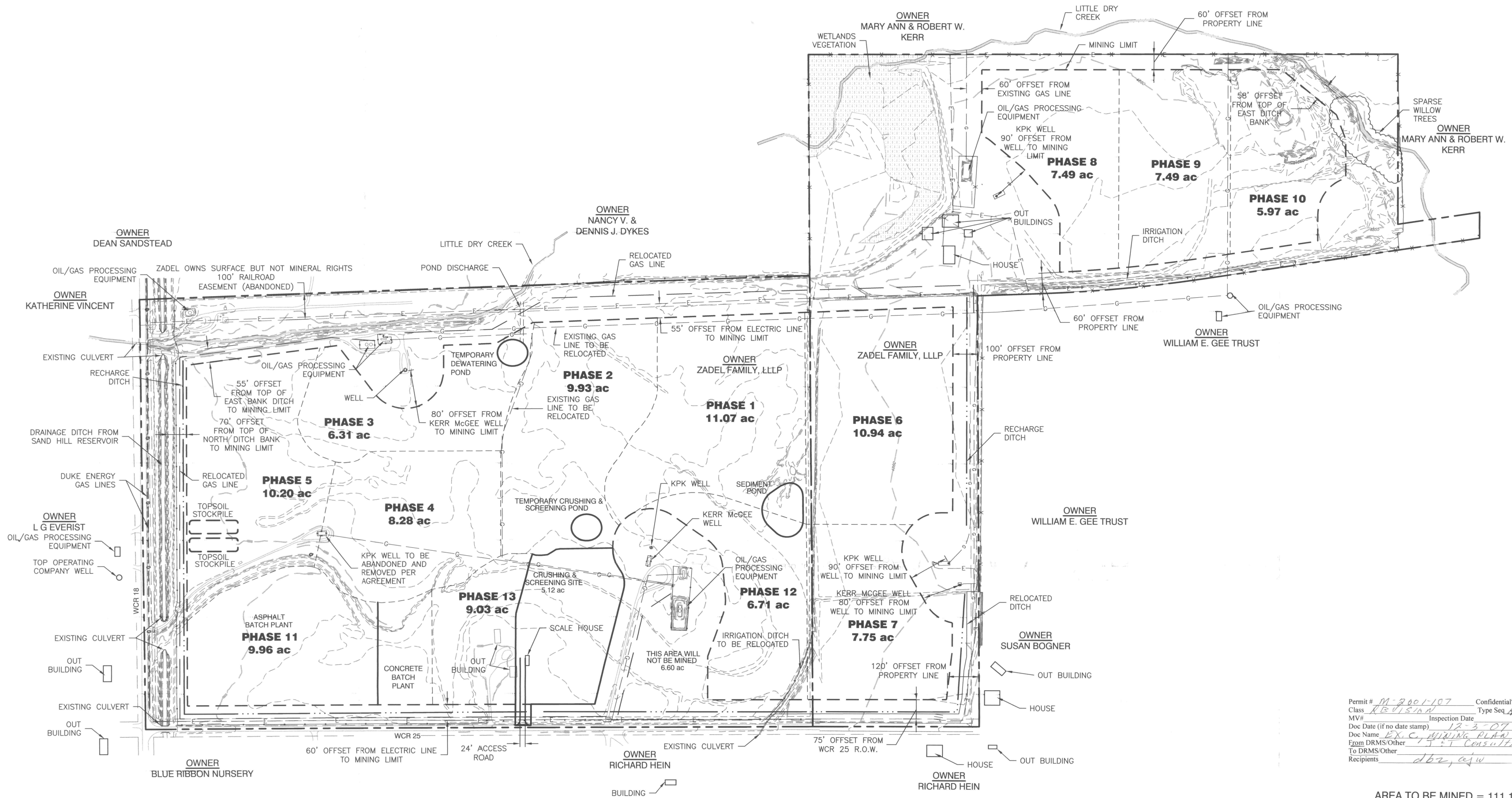
View of northern portion of amendment area looking north from gas line berm



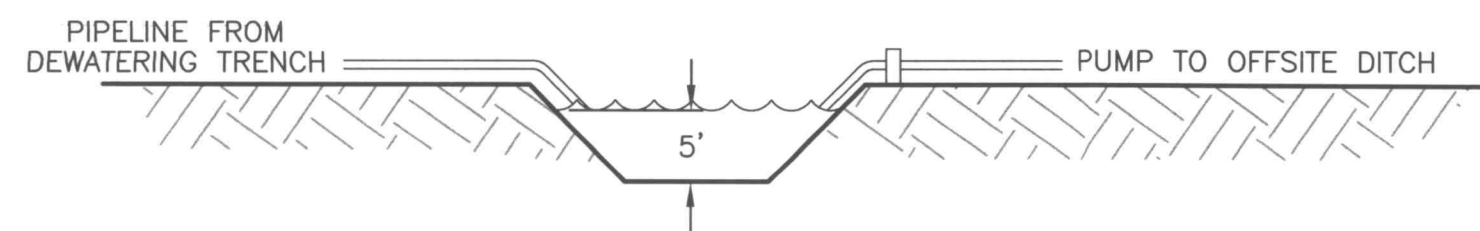
View of southern portion of amendment area looking south from gas line berm



View of Phase 6, 1 and 12 from the northern KPK oil well pad looking south



TYPICAL MINING SECTION
N.T.S.



TYPICAL DEWATERING POND SECTION
N.T.S.

LEGEND:

---	PROPERTY LINE
- - -	MINING LIMIT
- - -	PROPOSED PHASING
□	STOCKPILES
- - -	RECHARGE DITCH
- - -	RELOCATED PIPES
- - -	UNITED POWER EXISTING ELECTRIC LINES
- - -	EXISTING GAS
- - -	EXISTING FENCE
- - -	EXISTING CONTOURS
	WETLAND VEGETATION

Permit # M-2001-107 Confidential? N
 Class KBUSMAD Type Seq Am-01
 MV# 12-3-07 Inspection Date
 Doc Date (if no date stamp)
 Doc Name EX-C MINING PLAN WMAP
 From DRMS/Other J&T Consulting
 To DRMS/Other
 Recipients dbz, ajw

AREA TO BE MINED = 111.14 AC
 TOTAL PERMIT AREA = 175.63 AC

NOTES:

1. THE ENTIRE SITE IS IN THE FLOODPLAIN.
2. ALL AREAS NOT DISTURBED BY CURRENT MINING OR RECLAMATION WILL BE MAINTAINED AS PASTURE LAND.
3. ALL VEGETATION IN UNDISTURBED AREAS CONSIST OF PASTURE GRASS AND RUDERAL SPECIES.
4. INTERNAL HAUL ROADS WILL BE WATERED TO CONTROL DUST.
5. BASEMAP BY TANI PHOTOGRAPHY & JL WALTER CONSULTING.
6. THE SOUTH PLATTE RIVER ALLUVIAL AQUIFER AND LARAMIE-FOX HILLS AQUIFER ARE THE KNOWN AQUIFERS PRESENT AT THE SITE.

RECEIVED
 DEC 03 2007
 Division of
 Mining and Safety



200 100 0 200 400 600
 SCALE IN FEET

No	Date	By	Chk	Description
1	11/20/07	WSS	TPY	DRMS Comments

[Signature]
 J&T Consulting, Inc.

Job # 06109
 Date 7/26/07
 Drawn By WSS
 Designed By TPY
 Checked By TPY
 File JT-Mining
 Scale 1" = 200'
 Sheet: Of: