

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/PROSPECTING ID#:	MINERAL:	COUNTY:
M-1979-205	Sand and gravel	Garfield
INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Amy C. Yeldell	April 13, 2017	10:00
OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Jason Burkey	112c - Construction Regular Operation	
	M-1979-205 INSPECTOR(S): Amy C. Yeldell OPERATOR REPRESENTATIVE:	M-1979-205 Sand and gravel INSPECTOR(S): INSP. DATE: Amy C. Yeldell April 13, 2017 OPERATOR REPRESENTATIVE: TYPE OF OPERATOR

REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:
Normal I&E Program	Complete Bond	\$212,000.00
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:
NA	None	None
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:
Clear	Amy Geldell	May 2, 2017

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 posted at the entrance of the mine site displays the wrong permit number. 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 correct permit number. The operator shall submit photo documentation that the sign has been corrected by the corrective action date.

CORRECTIVE ACTION DUE DATE: 6/30/17

PERMIT #: M-1979-205 INSPECTOR'S INITIALS: ACY INSPECTION DATE: April 13, 2017

OBSERVATIONS

This inspection was conducted as part of the Colorado Division of Reclamation, Mining and Safety normal monitoring program. The Chambers Pit is a 112c sand and gravel operation that consists of a total of 110 acres with a 50 ac max disturbance. It is located in Garfield County approximately two miles east of Rifle Colorado. The main pit is accessed via US Highway 6 through the Dick Casey Concrete Pit (M-1978-349). The area referred to as the Scott Pit (phase 2, AM-2) is located on the south side of the Colorado River and is accessed via Country Road 315. Jason Burkey represented the operator and accompanied Amy Yeldell of the Division on the inspection.

This pit is a part of the Rifle Pit complex. A mine identification sign for the Chambers Pit was located at the Dick Casey Concrete Pit entrance. It is noted that the permit number on the sign is incorrect, this is cited as a problem. Please correct the permit number posted by the corrective action date. The mine sign for the Scott Pit area should also have the permit number and official permit name posted to avoid confusion.

The Rifle Complex pit boundaries consist to t-post fences or the Colorado River on all sides. The delineation between the several permits that make up the complex are less clear. The Scott Pit area permit boundary is also delineated by t-posts fences and the Colorado River.

There is a scale house and scale located in the main pit area adjacent to the Casey Concrete plant. A dewatering pond is located adjacent to the scale. The pit is pumped down then water is used for dust suppression. There is also a reclaimed lake just to the west of the dewatering pond.

The main Chambers Pit is completely mined out. Slopes around the storage area still require grading. The current mining plan calls for joining the Chambers Pit lake with the Dick Casey lake. The berm separating these two pits still remain in place. Topsoil for this pit is located at the Glen Pit (M-2005-075). On the pit floor there is recycled asphalt and concrete stockpiled. The operator is aware that the asphalt cannot be buried since the pit will become a pond.

The Scott Pit, phase 2 area AM-2, remains active. There is another scale and scale house to service this area. The western lake is fully reclaimed. An undisturbed wetland area is located in the middle. The east Scott Pit lake is where active mining is taking place. The pit is full of water. Highwalls around the pit/pond remain and dewatering is required for additional mining or reclamation. Some small stockpiles are located adjacent to the active east pit area.

Due to timing vegetation was not evaluated. There is no excessive debris or trash on site. The site is free of erosion or other stormwater related issues.

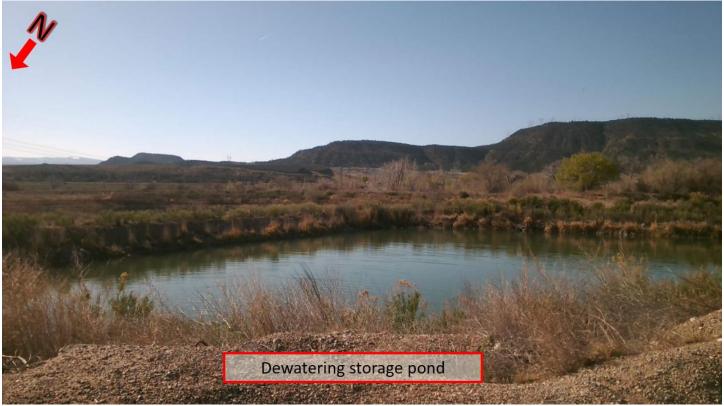
The Division currently holds a financial warranty amount of \$212,000 for this site. The bond was last reviewed in 2015. In an effort to ensure the Financial Warranty adequately, reflects the actual current cost of fulfilling the requirements of the approved reclamation plan the Division will be updating the reclamation cost estimate. You will be notified if the current bond is found insufficient. A copy of the staff calculations will be sent under separate cover.

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



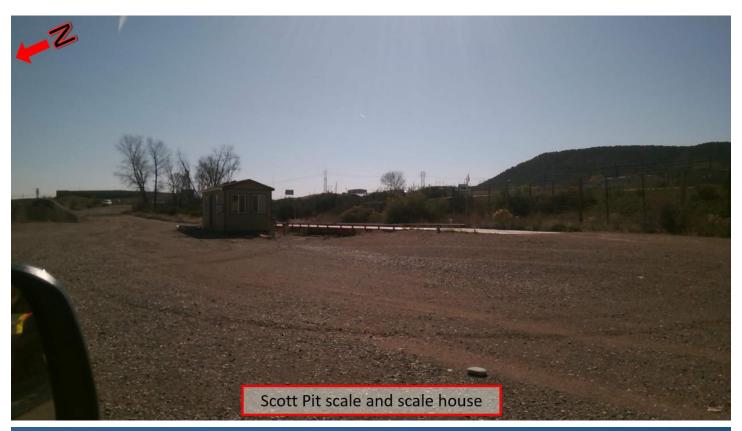




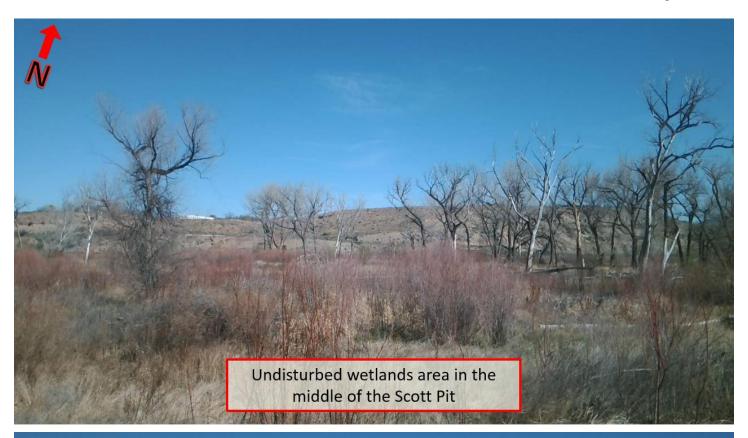














PERMIT #: M-1979-205 INSPECTOR'S INITIALS: ACY INSPECTION DATE: April 13, 2017

GENERAL INSPECTION TOPICS

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

(AR) RECORDS <u>Y</u>	(FN) FINANCIAL WARRANTY $\underline{\mathbf{Y}}$	(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 N	(SF) PROCESSING FACILITIES <u>Y</u>	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE <u>Y</u>	(RV) REVEGETATION <u>Y</u>
(SM) SIGNS AND MARKERS PB	(SP) STORM WATER MGT PLAN N	(CI) COMPLETE INSP <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION \underline{Y}	(RS) RECL PLAN/COMP <u>Y</u>
(AT) ACID OR TOXIC MATERIALS NA	(OD) OFF-SITE DAMAGE <u>N</u>	(ST) STIPULATIONS <u>N</u>

Inspection Contact Address

Jason Burkey
Oldcastle SW Group, Inc. dba United Companies of Mesa County
P.O. Box 3609
Grand Junction, CO 81502

Enclosure

EC: Russ Means, Senior EPS, GJFO DRMS

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