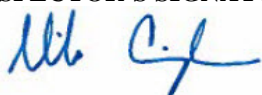




MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

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: Bulkley Pit No 17	MINE/PROSPECTING ID#: M-1981-138	MINERAL: Sand and gravel	COUNTY: Baca
INSPECTION TYPE: Monitoring	INSPECTOR(S): Michael A. Cunningham	INSP. DATE: April 12, 2017	INSP. TIME: 11:00
OPERATOR: Baca County	OPERATOR REPRESENTATIVE: Norm Shaw, Eric Holcomb	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$0.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: June 1, 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>N</u>	(FN) FINANCIAL WARRANTY----- <u>NA</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>N</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>NA</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>Y</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(CI) COMPLETE INSP---- <u>N</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>NA</u>	(OD) OFF-SITE DAMAGE----- <u>N</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

The inspection was conducted by Michael Cunningham of the Division of Reclamation, Mining and Safety (Division). Norm Shaw and Eric Holcomb were present on behalf of Baca County. The Bulkley Pit No. 17 is located approximately 20 miles east of Campo, Colorado. The operation is permitted for 47.70 acres. The commodity of interest is gravel and the post-mining land use is rangeland.

Gen. Compliance With Mine Plan:

The site was not active at the time of the inspection. The Operator has received approval to operate intermittently and the site is operated on an as-needed basis. The active pit is located along the western side of the permit area. The pit in which mining is occurring is approximately 11.5 acres and mining is currently advancing to the south. The pit slopes have been graded to 3H:1V, they were in a stable condition and did not show any signs of erosion. The pit is approximately 20 ft. deep and daylights to the natural ground surface on the north side. Topsoil has been stripped and stockpiled along the southern permit boundary. Once mining is complete in this area, mining will progress to the east. The eastern portion of the site contains a significant amount of pre-law disturbance, which the Operator has not yet affected.

Signs and Markers:

The permit sign was posted at the site entrance and the boundary of the affected area was clearly delineated with monuments.

Reclamation Success:

As noted above, the pit slopes have been graded to 3H:1V. However, no other reclamation has been performed at the site. According to the approved Mining Plan, reclamation will proceed as mining moves to the south and east. The Operator should consider reseeding the western pit slope since final grading is complete in this area.

PHOTOGRAPHS



1. Permit sign at site entrance.



2. Overview of pit floor, facing south.



3. Topsoil stockpile.



4. Overview of pit, facing north.

Inspection Contact Address

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741 Main St.
Springfield, CO 81073

CC: Wally Erickson, DRMS