




COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY
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.

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| MINE NAME: Vagneur Site | MINE/PROSPECTING ID#: M-1980-085 | MINERAL: Sand and gravel | COUNTY: Pitkin |
| INSPECTION TYPE: Monitoring | INSPECTOR(S): Dustin M. Czapla | INSP. DATE: June 10, 2014 | INSP. TIME: 10:00 |
| OPERATOR: Elam Construction, Inc. | OPERATOR REPRESENTATIVE: Gayle Lyman | TYPE OF OPERATION: 112c - Construction Regular Operation | |

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| REASON FOR INSPECTION: Normal I&E Program | BOND CALCULATION TYPE: Complete Bond | BOND AMOUNT: \$804,529.00 |
| DATE OF COMPLAINT: NA | POST INSP. CONTACTS: None | JOINT INSP. AGENCY: None |
| WEATHER: Clear | INSPECTOR'S SIGNATURE:  | SIGNATURE DATE: July 3, 2014 |

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.

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| (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>NA</u> |
| (PW) PROCESSING WASTE/TAILING---- <u>N</u> | (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>N</u> |
| (SM) SIGNS AND MARKERS----- <u>Y</u> | (SP) STORM WATER MGT PLAN---- <u>N</u> | (SB) COMPLETE INSP---- <u>Y</u> |
| (ES) OVERBURDEN/DEV. WASTE----- <u>NA</u> | (SC) EROSION/SEDIMENTATION--- <u>Y</u> | (RS) RECL PLAN/COMP-- <u>N</u> |
| (AT) ACID OR TOXIC MATERIALS----- <u>Y</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

This inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Gayle Lyman, representing the Operator, was present during this inspection. Photographs are included with this report in order to illustrate some of the conditions observed.

The Vagneur Pit is located approximately six miles north of Aspen and accessed from Western Mobile Mountain Road, off of Upper River Road (CR17). The site is a 112c operation that includes a total of 105 permitted acres. The Division currently holds a financial warranty amount of \$804,529.00 for this site. The Division has reviewed the reclamation costs, in order to ensure the financial warranty reflects the actual current cost of fulfilling the requirements of the Reclamation Plan, and determined that the current financial warranty amount is adequate.

Adequate mine identification signage was noted at the entrance to the site.

The affected area was marked by fencing and posts that were clearly visible and adequate to delineate the affected area boundary.

Mining has progressed into the Phase 2 expansion area. Mining in the expansion area is benched down to a depth of approximately 60-70 feet.

Backfilling in the Phase 1 area continues. Materials stockpiles are located on the south side of the backfilled highwall.

Fuels observed on site were appropriately stored. The concrete and asphalt plants appeared to be in good order.

No problems or violations were noted during this inspection.

Responses to this inspection report should be directed to Dustin Czapla at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 South 3rd Street, Room 301, Grand Junction, Colorado 81501, phone number (970) 243-6299.

PHOTOGRAPHS



Figure 1: Backfilled area in north side of Phase 1

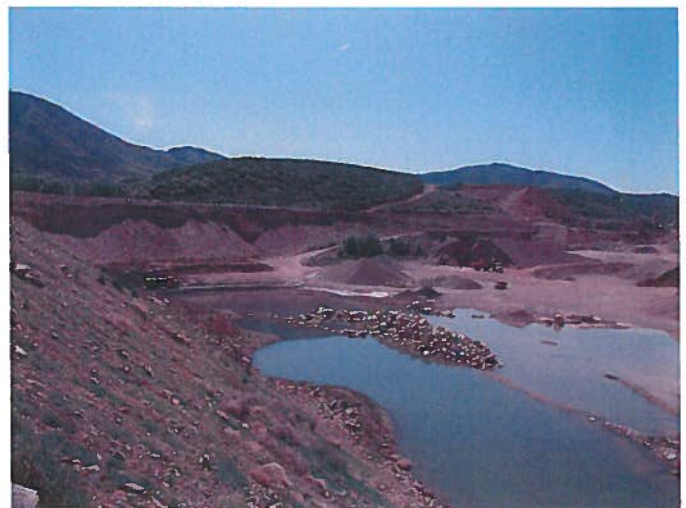


Figure 2: Facing south from the backfilled highwall



Figure 3: Facing south from the backfilled highwall



Figure 4: Facing north toward the backfilled highwall in the Phase 1 area.



Figure 5: Facing north toward the backfilled highwall in the Phase 1 area.



Figure 6: Phase 2 expansion area



Figure 7: Phase 2 expansion area



Figure 8: Phase 2 expansion area



Figure 9: Concrete batch plant



Figure 10: Asphalt plant

Inspection Contact Address

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