




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: Wallace Pit	MINE/PROSPECTING ID#: M-1983-028	MINERAL: Sand and gravel	COUNTY: Montezuma
INSPECTION TYPE: Monitoring	INSPECTOR(S): Lucas J. West	INSP. DATE: August 23, 2017	INSP. TIME: 14:08
OPERATOR: Stone Sand & Gravel, LLC	OPERATOR REPRESENTATIVE: Daren Stone	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$45,081.66	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: September 5, 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>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>N</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>N</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

This inspection was conducted as part of the normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety. The Wallace Pit is an Active 112C Operation located in Montezuma County. The site consists of 250 Permitted acres, with approximately 15 acres disturbed. The operation lies just off Hay Camp Mesa Road at nearly 7500 feet in elevation. The Division currently holds \$45,081.66 in Financial Warranty for the site. A Reclamation Cost Estimate Update was performed and staff calculations found the currently held Financial Warranty is sufficient to achieve reclamation in accordance with the approved reclamation Plan. Six Photos accompany this report to illustrate the current site conditions.

The proper mine identification signage was posted at the entrance to the site, and the boundaries are clearly marked with a series of berms and fence lines. The site shares its northern boundary with the Hay Camp Pit, Operated by Montezuma County, and it's southern boundary with the New Hay Camp Pit, Operated by McStone Aggregates. The site was active during the inspection, and Daren Stone of Stone Sand and Gravel was present. The Eastern portion of the pit, which has been previously mined is currently being used as a lay down yard, stockpile area as well as miscellaneous storage. Photos One and Two show the area. All stockpiles that are stored in that area appear to be stable and in good condition. No evidence of settling, slumping, or erosion was noted. A large power tower is centered in the previously mined area, and a large setback around the tower has been maintained.

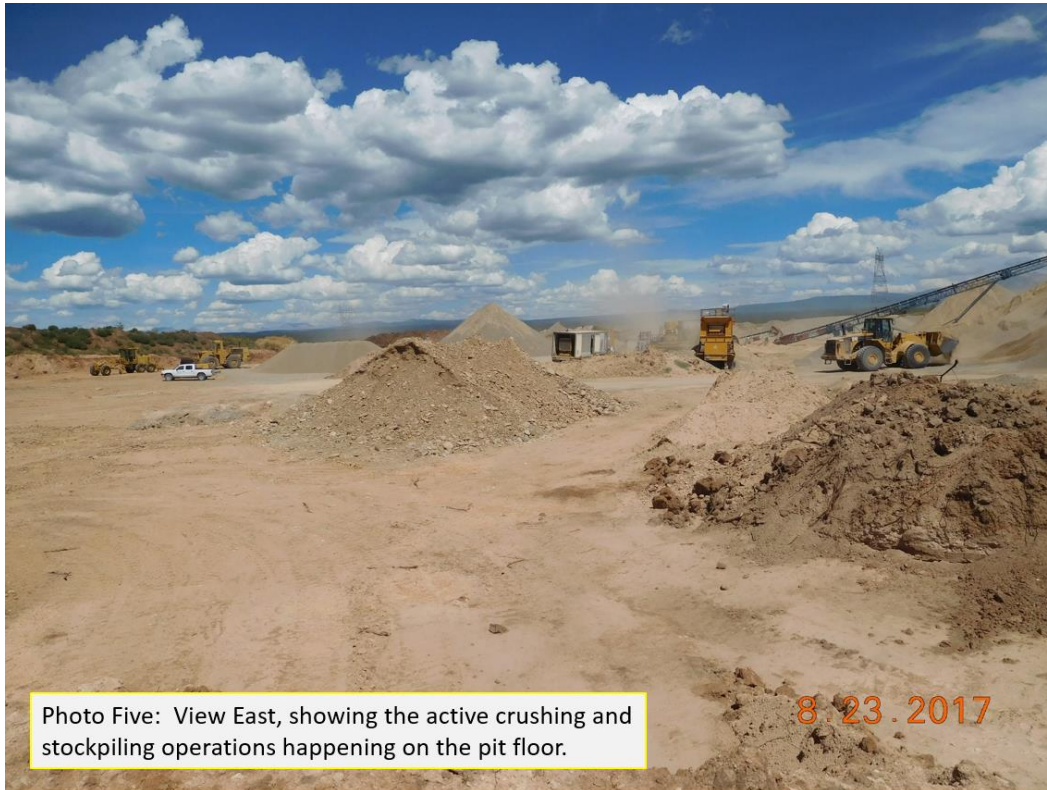
The active mining area can be seen in Photos Three and Four. Several short highwalls are present in the mining area, all of which are no more than 20 feet tall. All exposed highwalls are in good condition and appear to be stable. The site was actively crushing and stockpiling materials during the inspection. Photo Five shows the activities taking place. All stockpiles appeared to be stable as well, and showed no signs of settling slumping or erosion. The Next area to be mined has been stripped, and the vegetation has been cleared. The area can be seen in Photo Six.

The overall footprint of the site was in good condition and free from trash and debris. There was no signs of significant erosion noted throughout the site, and there was evidence of chemical treatment of weeds observed. All fuel tanks and hazardous materials was stored with proper secondary containment. There are no problems or possible violations at this time. All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation Mining and Safety at 1313 Sherman Street, Room 215, Denver, CO 80203, by phone at (970)-243-6368 or by email at lucas.west@state.co.us.

PHOTOGRAPHS







Inspection Contact Address

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Enclosure

CC: Russ Means, Senior Environmental Protection Specialist