




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: Fountain Pit	MINE/PROSPECTING ID#: M-1982-155	MINERAL: Sand and gravel	COUNTY: El Paso
INSPECTION TYPE: Surety-Related Inspection	INSPECTOR(S): Timothy A. Cazier	INSP. DATE: October 27, 2017	INSP. TIME: 10:40
OPERATOR: Schmidt Construction Company	OPERATOR REPRESENTATIVE: Dan Chavez, Mark Heifner	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Surety Related	BOND CALCULATION TYPE: None	BOND AMOUNT HELD: \$310,388.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: November 22, 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>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>Y</u>	(SF) PROCESSING FACILITIES----- <u>NA</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>NA</u>	(OD) OFF-SITE DAMAGE----- <u>Y</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's review required for the partial acreage release (AR-01) request received on September 12, 2017 and called complete for filing after having received additional requested information on September 20, 2017. The Permittee (Schmidt Construction) was represented by Messrs. Dan Chavez and Mark Heifner who were present for the inspection. This inspection focused on the 99 acres on the north end of the site for which the Permittee requested release from reclamation liability.

The Fountain Pit access road entrance is located off Charter Oak Ranch Road from Exit 128 on I-25, Near Fountain CO. This is a 112c sand and gravel mine. The mine was active at the time of the inspection.

Availability of Records: Annual fees are paid through December 2016. The previous inspection was on May 26, 2016. The approved post-mine land use is rangeland. Amendment 3 (AM-03) was affirmed by the Mined Land Reclamation Board in a Board Order mailed on November 9, 2017. This Order required Schmidt Construction Company to submit the additional bond (determined by the Division to be \$146,800.00) within 90 days of the Order (2/7/2018). As of the date of this inspection report, the Division has not received the additional bond.

Backfilling and Grading: All grading required to achieve a stable slope appeared to have been completed (see **Photos 1 and 2**). No additional backfilling is required.

Excess Spoil and Dev. Waste: No overburden piles were observed.

Financial Warranty: As discussed under "Availability of Records" above, an additional \$146,800 is required to be submitted to the Division. A letter was sent to Mr. Scott Davis on November 14, 2017 providing notice of the additional surety required and providing a detailed cost estimate.

Fish and Wildlife: No impact to wildlife was observed.

Hydrologic Balance: No standing water was observed in the pit and no exposed groundwater was observed.

Off-site Damage: All disturbance related to mining activity in the area requested for release appeared to have been within the permit area based on the fence marking the permit boundary.

Processing Waste: No processing waste was observed in the release area.

Roads: The original access road in the northeast corner of the permit boundary was abandoned and reclaimed (see **Photo 3**).

Reclamation Success: The Division has determined all required reclamation in the requested release area has been completed and will recommend release of the 99 acres. The Permittee will be notified under separate cover. The Division is required to wait 30 days from the decision date to allow for appeals, prior to issuing a release of reclamation liability letter.

Revegetation: All the requested release area appeared to be adequately revegetated (see **Photos 4, 5 and 6**). The area does not appear to be a source from which noxious weeds might propagate.

Sediment Control: A rock riprap berm will remain near the outlet of the excavated area in order to control stormwater release into the natural drainage. No oil or fuel spills observed.

Signs and Markers: The permit sign was properly posted (see **Photo 7**).

Topsoil: All salvaged topsoil for this area had been placed.

Please contact Tim Cazier (303)866-3567 ext. 8169 or email at tim.cazier@state.co.us if you have any questions regarding this report.

PHOTOGRAPHS



Photo 1. Pit floor reclamation (looking SE).

PHOTOGRAPHS (cont.)



Photo 2. 3H:1V grading, west side slopes (looking NNW).



Photo 3. Reclaimed original access road (looking east near original entrance).

PHOTOGRAPHS (cont.)



Photo 4. Release area adequately revegetated (1 of 3, looking NW).



Photo 5. Release area adequately revegetated (2 of 3, looking NE).

PHOTOGRAPHS (cont.)



Photo 6. Release area adequately revegetated (3 of 3, looking east).



Photo 7. Permit sign (at entrance).

Inspection Contact Address

Scott Davis
Schmidt Construction Company
2635 Delta Dr.
Colorado Springs, CO 80910

EC: DRMS file,
Dan Chavez, Schmidt Construction,
Mark Heifner