




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: Daniels Sand Pit 2	MINE/PROSPECTING ID#: M-1973-007-SG	MINERAL: Sand and gravel	COUNTY: El Paso
INSPECTION TYPE: Surety Release Inspection	INSPECTOR(S): Timothy A. Cazier	INSP. DATE: January 29, 2018	INSP. TIME: 16:05
OPERATOR: Continental Materials Corporation	OPERATOR REPRESENTATIVE: Brandon Hesper, Bruce Humphries, Grant Smith	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Surety Release Requested	BOND CALCULATION TYPE: None	BOND AMOUNT: \$1,038,500.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Cloudy	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: February 28, 2018	

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>N</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>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>N</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>N</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-02) request received on January 23, 2018 and called complete for filing after having received additional requested information on February 5, 2018. The Permittee (Continental Materials Corp.) was represented by Messrs. Brandon Heser, Bruce Humphries, and Grant Smith who were present for the inspection. The Division was represented by Tim Cazier and Amy Eschberger. This inspection focused on the 66+/- acres on the east side of the site for which the Permittee requested release from reclamation liability.

Daniels Sand Pit 2 is accessed from Bradley Road just west of South Academy Blvd, about one mile from I-25 in Colorado Springs. This is a 112c sand mine.

Reclamation Success: The inspection verified this area added to the permit in June of 2005, known as the Little Johnson area had never been disturbed by mining activities (see **Figure 1**). A solar farm was added to this area sometime between October 2011 and November 2015, based on a review of Google Earth historical imagery. As this area was never disturbed by mining, the Division will recommend approval of the release request.

Signs and Markers: A permit sign was displayed at the site entrance (see **Photo 1**). The Division walked the perimeter along the west and north side of the area requested for release and noted survey stakes and markers (see **Photos 2 and 3**) that would delineate the new permit boundary.

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. Permit sign at entrance.

PHOTOGRAPHS (cont.)



Photo 2. Southeast Property corner marker (looking north).



Photo 3. Row of survey markers delineating release area (right) from permit area (left).

Inspection Contact Address

Andre Laroche
Continental Materials Corporation
444 East Costilla Street
Colorado Springs, CO 80903

Enclosure

CC: Amy Eschberger, DRMS
DRMS file
Brandon Heser, CMC
Bruce Humphries

Figure 1. M-1973-007-SG AR-02 Inspection Map

Satellite Imagery from June 9, 2017

Legend

- M-73-007SG AR-02
- M-73-07SG AM-3 Permit Boundary East

66+/- Acres Requested
for Release

