



COLORADO

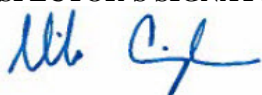
Division of Reclamation,
Mining and Safety

Department of Natural Resources

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: Gloria Z Mine	MINE/PROSPECTING ID#: M-1984-094	MINERAL: Sand and gravel and	COUNTY: Park
INSPECTION TYPE: Surety-Related Inspection	INSPECTOR(S): Michael A. Cunningham	INSP. DATE: December 8, 2017	INSP. TIME: 11:30
OPERATOR: Playfair Land Company LLC	OPERATOR REPRESENTATIVE: Mike Pfister	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$161,417.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: January 3, 2018	

GENERAL INSPECTION TOPICS

This list identifies the environmental and permit parameters inspected and gives a categorical e-valuation 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>Y</u>	(RD) ROADS----- <u>N</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>N</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <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

The inspection was conducted by Michael Cunningham of the Division of Reclamation, Mining and Safety (Division). Mike Pfister with Playfair Land Company, LLC was also present for the inspection. The Gloria Z Mine is located approximately one mile northwest of Fairplay, CO on the south side of the Middle Fork of the South Platte River. The site is permitted for 45.04 acres and the post-mining land use is rangeland and developed water resource.

The purpose of the inspection was to follow up on the Operator's efforts to resolve corrective actions which were issued following the inspection conducted on September 7, 2017.

Financial Warranty:

Following the inspection conducted on September 7, 2017, the Division determined the financial warranty amount of \$108,234.00 was not sufficient to perform reclamation of the site. On September 21, 2017, the Division issued a Surety Increase (SI06) which increased the required financial warranty to \$339,864.00. The Division will revise the amount of the required financial warranty based on the observations made during this inspection. Any change to the required financial warranty amount will be sent under separate cover.

Gen. Compliance With Mine Plan:

As noted in previous inspection reports, the Operator had imported tree stumps and slash (vegetation) into the site. The vegetation stockpiles covered an area of 1.28 acres and the stockpiles were between 6' to 8' in height. The current financial warranty includes \$2,000 to mulch the materials. Following the last inspection, the Operator obtained a permit from the Air Pollution Control Division which allowed the vegetation to be burned onsite. The Division inspected all of the areas where tree stumps had been stockpiled and found that the vegetation which previously occupied 1.28 acres of the mine site had been reduced to a total volume of approximately 10 cubic yards. The Operator informed the Division the remainder of the vegetation would be burned when weather conditions were favorable. The financial warranty will be adjusted to account for the removal of the vegetation.

During the previous inspection, the Division documented the various pieces of derelict equipment and refuse which had been imported to the site. The Operator has removed some of the equipment and refuse from the site. However, the portion of the financial warranty which accounts for the removal of the refuse will not be adjusted until such time as the Operator provides a detailed accounting of the status of each item which was identified in the most recent financial warranty calculation.

During the previous inspection, the Division noted the highwalls did not conform to the requirements of the Mining Plan, as approved under Technical Revision No. 3. The Division confirmed the Operator has reduced the highwall from 90 degrees to 80 degrees and has constructed a bench at the 25' level. The Operator should note that failure to maintain the approved slope and benching requirements along the active highwall in the future, may result in a possible violation for failure to follow the approved Mining Plan.

This concluded the inspection.

PHOTOGRAPHS



1. Remainder of tree stumps.



2. Area cleared of tree stumps and slash.



3. Area cleared of tree stumps and slash.

Inspection Contact Address

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