

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:	MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
Cañon Dolomite Quarry	M-1977-376	Dolomite	Fremont
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring	Timothy A. Cazier	March 28, 2018	13:30
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Continental Materials Corporation	Andre Laroche	112c - Construction Regular Operation	
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program	Partial Bond	\$232,000.00	
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGE	NCY:
NA	None	None	
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:	
Cloudy	Thing als=	May 22, 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>Y</u>	(FN) FINANCIAL WARRANTY Y	(RD) ROADS <u>Y</u>
(HB) HYDROLOGIC BALANCE <u>Y</u>	(BG) BACKFILL & GRADING <u>Y</u>	(EX) EXPLOSIVES <u>Y</u>
(PW) PROCESSING WASTE/TAILING <u>Y</u>	(SF) PROCESSING FACILITIES Y	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE <u>Y</u>	(RV) REVEGETATION Y
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN Y	(RS) RECL PLAN/COMP <u>NA</u>
(ES) OVERBURDEN/DEV. WASTE <u>NA</u>	(SC) EROSION/SEDIMENTATION \underline{Y}	(ST) STIPULATIONS Y
(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 regular monitoring program. The Permittee (Continental Materials Corporation [CMC] was represented by Messrs. Andre Laroche, Bruce Humphries, Bill Pope and John Jankousky during the inspection. The Cañon Dolomite Quarry is accessed from Hwy 50 and is located approximately one mile west of Hwy 50 and about 0.8 miles north of Tunnel Drive. This is a 112c dolomite mine. It was operating at the time of the inspection.

<u>Availability of Records</u>: Annual fees are paid through September 2017. The previous inspection was on March 11, 2014. The approved post-mine land use is rangeland. There are no open infractions. Technical Revision (TR-02) was approved in July 2015 to update and clarify the mining and reclamation plans.

<u>Backfilling and Grading</u>: Based on the approval of TR-02, the benches (roughly 30 ft high by 60 ft wide) are to be reclaimed by backfilling at a 4H:1V slope using unmarketable fines. Fines stockpiles were observed on site on the pit floor (see **Photo 1**). Mr. Laroche explained the pit is leased out to a landscaping company. I asked if the landscaping company was aware of the permit conditions, especially the need to retain sufficient fines for backfilling. <u>Mr. Laroche indicated it was probably addressed in the leasing contract, but that he would have Mr.</u> <u>Pope confirm this</u>.

<u>Explosives:</u> Blasting is performed on site. Based on the previous March 2014 inspection with the landscaping contractor representative (Daniel Tezak), blasting records are kept in Tezak's office about a mile south of this quarry at T.H.E Aggregate Source quarry (M-1977-193).

<u>Financial Warranty</u>: The \$232,000 bond held by the Division is adequate for the observed mine disturbance.

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.

<u>Gen. Compliance with Mine Plan:</u> The operation appeared to be in compliance with the approved mine plan. Google Earth was used to measure the disturbed area, which was estimated to be just over 25 acres, based on 2016 imagery. Highwalls were estimated to vary between 20 and 30 feet in height and appeared stable (see **Photo 2**).

<u>Off-site Damage</u>: The operation appeared to be confined to the permit boundary, based on observed markers and Google Earth review.

<u>Processing Waste:</u> Based on the approval of TR-02, approximately half the fines are to be moved to the Old Quarry area (see **Photos 3** and **4**), the rest will remain at the quarry for backfill on the benches. Concrete slabs and some rebar were observed in the Old Quarry area (see **Photo 5**). The concrete may remain if it is buried with the fines. However, the rebar must but cut away and disposed of properly in a landfill or other acceptable disposal facility.

<u>Roads:</u> Haul and access roads did not appear to be a source of sediment that could be tracked offsite.

<u>Revegetation</u>: No revegetation efforts had been initiated. No noxious weeds were observed.

<u>Sediment Control</u>: Other than the large erosion gullies in the lower fines disposal area (not currently planned to be used for fines disposal), no erosion concerns were observed. As this lower fines disposal area in in the affected area, Mr. Humphries discussed a plan for reclaiming the steeper slope in the lower previously permitted fines disposal area. This slope is highly eroded in an area that may or may not have been disturbed by mining activity. The material is slightly cemented weathered rock (see **Photo 6**). The plan is to terrace this slope with likely three terraces having a back slope to convey runoff towards the side into the natural drainage (see **Photo 7**).

<u>Support Facilities On-site:</u> Equipment and facilities observed included an excavator with a rock breaker attachment, a loader and a truck scale.

<u>Signs and Markers</u>: The permit sign was properly posted (see **Photo 8**) and boundary markers were observed to delineate the permit boundary (see **Photo 9**).

Permit Stipulations: None open.

<u>Storm Water MGT Plan</u>: No oil or fuel spills observed. Pit area stormwater drains to the pit and infiltrates. Rock check dams and sediment traps (see **Photo 10**) were observed along the haul road for sediment control along access to the pit.



PHOTOGRAPHS

Photo 1. Fines stockpile were observed on pit floor (looking north).



Photo 2. Pit highwall, south end & west side (looking SSW).



Photo 3. Old Quarry area entrance off access road (looking SSW).



Photo 4. Old Quarry fines disposal area, to left (looking south).



Photo 5. Concrete slabs and rebar observed in Old Quarry area.



Photo 6. Highly eroded lower fines disposal area (looking NE).



Photo 7. Natural drainage south of highly eroded lower fines disposal area (looking SE).



Photo 8. Permit sign at entrance.



Photo 9. Permit boundary marker (on northwest corner, looking NW).



Photo 10. Sediment trap along access road (near entrance, looking east).

Inspection Contact Address

Andre Laroche Continental Materials Corporation 444 E. Costilla St. Colorado Springs, CO 80803

CC: DRMS file Bruce Humphries