




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: Lawrence Pit	MINE/PROSPECTING ID#: M-1974-041	MINERAL: Sand and gravel	COUNTY: Douglas
INSPECTION TYPE: Monitoring	INSPECTOR(S): Peter S. Hays	INSP. DATE: June 14, 2018	INSP. TIME: 13:00
OPERATOR: Lawrence Construction Company, Inc.	OPERATOR REPRESENTATIVE: Brian Benight	TYPE OF OPERATION: 112c - Construction Regular Operation	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Partial Bond	BOND AMOUNT: \$294,000.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: June 18, 2018

The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.

INSPECTION TOPIC: Signs & Markers
PROBLEM: The mine identification sign was not posted at the entrance of the mine site. This is a problem for failure to post a mine identification sign as required by Rule 3.1.12(1).
CORRECTIVE ACTIONS: The Operator shall, at the entrance of the mine site, post a sign which shall be clearly visible from the access road with the following: the name of the Operator, a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and the permit number. The Operator shall submit photo documentation that a proper sign has been posted by the corrective action date.
CORRECTIVE ACTION DUE DATE: 7/18/18

OBSERVATIONS

The Lawrence Pit was inspected by Peter Hays with the Division of Reclamation, Mining and Safety (Division/DRMS) as part of the Division's monitoring inspection program. Mr. Brian Benight with Lawrence Construction Company, Inc. was present during the inspection. The site was previously inspected by the Division on December 8, 2015. A copy of the inspection map created based on the observations from this inspection is attached.

Mining Plan:

The Lawrence Pit is located approximately 4 miles southeast of Chatfield Reservoir and west of Plume Creek. The site is permitted as an 41.85 acre 112 Construction Materials operation. During the permit file review by the Division it was determined the permitted acreage for the site is 41.85, not the previously indicated 35 acres. The original permit application indicated 35 acres, however the legal description provided during the original permitting period indicated 41.85 acres. This discrepancy was corrected administratively by the Division. A copy of the legal description from 1974 is attached for reference. The inspection map created by the Division using Google Earth following this inspection confirmed the corrected acreage total. If the Operator disagrees with the revision in the total permitted acreage value, please contact the Division to discuss the change in acreage.

The mined commodity is sand and gravel, which is used primarily by the Operator for their own construction projects. The site was inactive during the inspection. The Operator stated sufficient minable resources remain in the south highwall. Mining activities will resume when material is need for a project close to the site. The mining operation has disturbed most of the permit area located west of Plum Creek. The site is primarily used to recycle concrete and asphalt. Concrete is dumped over the west highwall onto the pit floor where it is reprocessed by the Operator. Stockpiles of recycled concrete and asphalt were observed on the pit floor during the inspection.

As noted in the previous inspection report, an erosion gully has formed in the middle of the south highwall. The eroded material was contained in the pit floor. The Operator has attempted to stabilize the top of the feature. The feature should be monitored by the Operator, however since the feature is not near the permit boundary and the area adjacent to the feature will be mined in the future, the erosion gully is not cited as a problem by the Division. The pit floor was dry at the time of the inspection.

Sign and Boundary Markers:

As cited as a problem above, the required entrance sign was not posted as required by Rule 3.1.12. The Operator shall, at the entrance of the mine site, post a sign which shall be clearly visible from the access road with the following: the name of the Operator, a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and the permit number. The Operator shall submit photo documentation that a proper sign has been posted by the corrective action date.

Noxious Weeds:

Noxious weeds including Scotch thistle, downy brome (cheat grass) and diffuse knapweed were observed during the inspection. The Operator stated the noxious weeds would be controled as part of the operation of the construction yard.

Reclamation Plan:

The approved post mining land use is rangeland. The final highwall slopes mined at 2H:1V will be cut to the final 3H:1V grade with several gentle contour furrows. The site will be reclaimed with six to twelve inches of topsoil and revegetated with the approved seed mixture. A large stockpile of topsoil was observed in the southwest corner of the site. The Operator is in the process of rezoning the site from agricultural to general industrial with Douglas County.

Financial Warranty:

The Division currently holds a financial warranty in the amount of \$294,000.00, which appears adequate to complete the site reclamation.

Photographs taken during the inspection are attached.

Inspection Contact Address

David Morris
Lawrence Construction Company, Inc.
9002 N Moore Road
Littleton, CO 80125

Enclosure – Inspection Map, 1974 Legal Description

Ec: Michael Cunningham, DRMS

PHOTOGRAPHS



View of site from south highwall looking north



View of the site from the south highwall looking northwest



View of site from south highwall looking northeast



View of south highwall from southeast corner of pit floor looking southwest



View of the erosion gully in the south highwall

GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(AR) RECORDS----- <u>N</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>N</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>N</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>PB</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>N</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

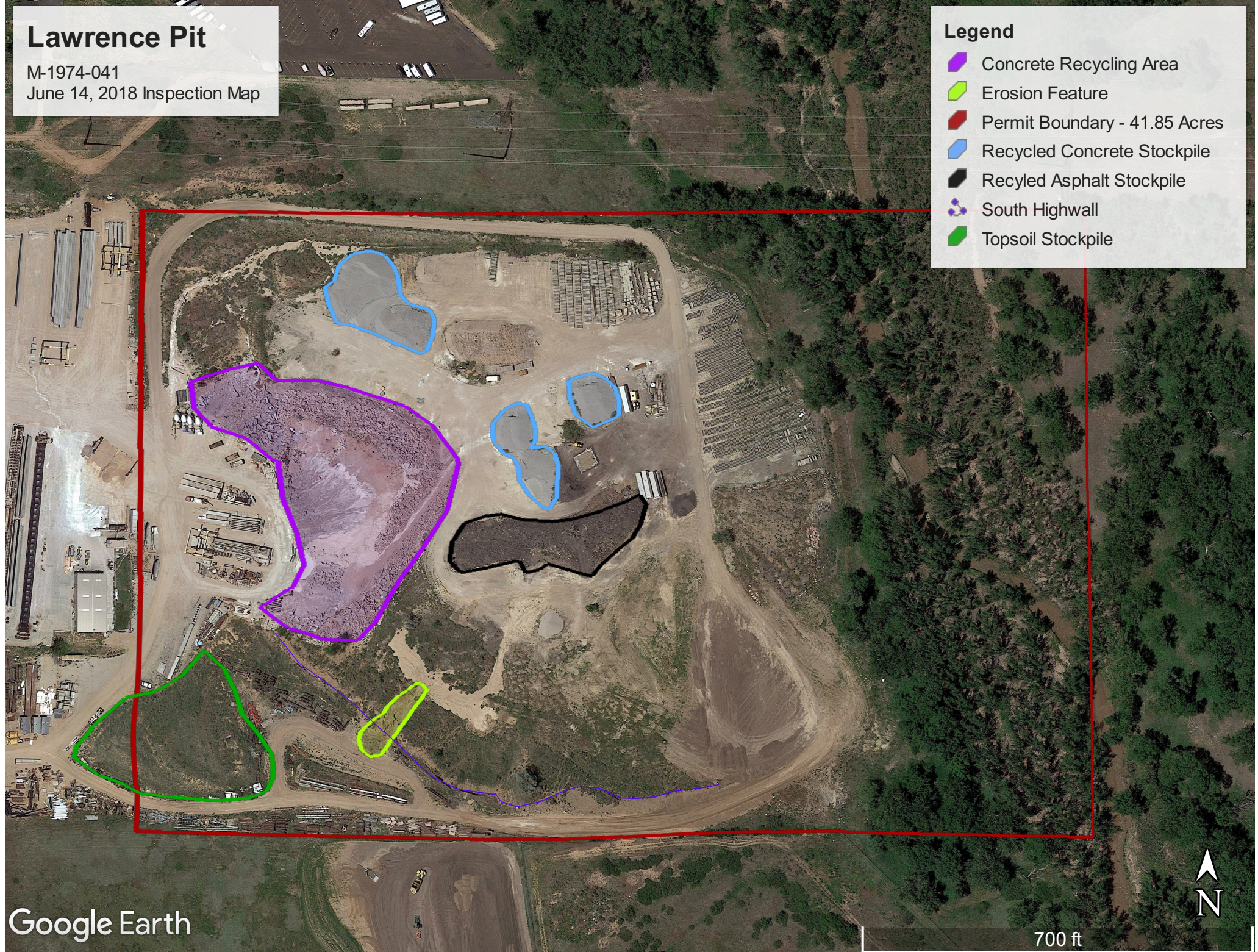
Lawrence Pit

M-1974-041

June 14, 2018 Inspection Map

Legend

- Concrete Recycling Area
- Erosion Feature
- Permit Boundary - 41.85 Acres
- Recycled Concrete Stockpile
- Recycled Asphalt Stockpile
- South Highwall
- Topsoil Stockpile





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LAND RECLAMATION BOARD
Department of Natural Resources

Room 215, 1845 Sherman St.
Denver, Colorado 80203

Telephone: 892-3401

Operator's Plan of Reclamation

- 1. Name of operator The Fountain Sand and Gravel Company Phone 544-5451
- 2. Address of operator P.O. Box 535 - Pueblo, Colorado
- 3. Legal description of affected land See attached sheet

- 4. (a) Number of acres 41.85 (b) Initial permit number _____

- 5. Describe herein the operator's choice of reclamation in accordance with the provisions of 92-13-6, CRS 1963, as amended. Details of this plan shall be appropriate to the type of reclamation designated.

See attached sheet

- 6. Enclose herewith an accurate map of the affected area. The map shall show:
 - (a) All pertinent details such as roads and access to the area and reclamation accomplished;
 - (b) Section, township, range and county lines within the scope of the map;
 - (c) Access to the area from the nearest public road;
 - (d) A meridian;
 - (e) A title containing the name of the operator and his address;
 - (f) Scale of the map;
 - (g) Name of engineer or other person who prepared map;
 - (h) The date;
 - (i) The township, range and county of the affected area.

- 7. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

Signed Lloyd V Bonhart, manager
 Title Land & Environmental Planning
 Date April 15, 1974

LAND RECLAMATION BOARD

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

Legal Description

A tract of land in the S 1/2 SE 1/4, Section 29, Township 6 South, Range 68 West of the 6th P.M., Douglas County, Colorado, being more particularly described as follows:

Beginning at the southeast corner of said Section 29; thence

N 00° 44' 24" W. Along the east line of the said S 1/2 SE1/4 a distance of 1112.93 feet to the south line of a 210.0' wide Public Service right-of-way, as established by Book 118 at Page 59; thence

N 89° 48' 18" W along said Public Service Right-of-way a distance of 1632.35 feet; thence

S 00° 12' 21" E., a distance of 1113.81 feet to the south line of the said S 1/2 SE1/4; thence

S 89° 50' 24" E., along the south line of the said S1/2 SE 1/4 a distance of 1642.72 feet to the point of beginning,

containing 41.85 acres, more or less.

PLAN OF OPERATION

The first phase of operation will be to cut around Contour 5640 for stripping and fill in the plant area to create a level work space. Step 2 will be to improve the existing road and cut a bench in the vicinity of Contour 5600 to make an area to load trucks to haul back to the aggregate processing plant. This being complete, material will be dozed to the bench for truck loading. The last step will be to doze material from the bench to the valley floor.

Phase II will entail cutting the now 1 to 15 slope (approx.) to a 4 to 1 slope (approx.).

In Phase III we will move in a backhoe and excavate the lake on the valley floor.

The mineral deposit is primarily sand with some rock in the 3/4" minus range. We will excavate approximately 15' to 20' in the valley floor. The hill has an 80' face.

Land Reclamation by Fountain Sand and Gravel shall be limited to replacing topsoil and planting grasses. Tree planting shall be the responsibility of the Developer.

By GARY COURSEY

Fountain Sand & Gravel, a wholly-owned subsidiary of the CF&I Steel Corp., is big business, having many progressive divisions throughout the state.

The divisions are Rocky Mountain Paving Co. of Colorado Springs; Alcora Materials Co., headquartered at Fountain Sand & Gravel plant; Porto Mix Concrete, Inc., of Glenwood Springs, and Douglas County Ready Mix of Castle Rock.

Fountain Sand & Gravel, South Joplin and Arkansas River, is an industrial sand plant, acquired by CF&I on June 1, 1972. A spokesman described the company as the "garbage man for CF&I."

The remark was made in conjunction with one operation of Fountain Sand & Gravel. Immediately after being acquired by the CF&I, Fountain Sand & Gravel began crushing and screening slag from the Pueblo Plant's dump east of Pueblo Greyhound Park. Slag comes from ore melted in CF&I furnaces.

The crushed slag is used for asphalt material, road base, concrete aggregate and railroad ballast. Some is sold to the Rockwool Insulating Division of Rockwood Industries, Inc., to be used in making insulation.

CF&I began dumping slag in 1882. It continued into the 1930s. Philip E. Holmes, president of Fountain Sand & Gravel, said it is estimated the dump, which is termed an eye sore by many, will be recycled completely in nine more years.

New Product

Construction is under way on a lightweight aggregate plant that will recycle waste coal materials from CF&I's coke plant operation. The new product — Fountain-Lite — will be used as a construction product.

The plant, being built adjacent to Fountain Sand's Haystack Mountain development at the eastern edge of CF&I's Pueblo Plant, is scheduled to be in operation about Jan. 1. Lightweight aggregate will be available for marketing about April 1.

Holmes, however, said the primary product of Fountain Sand & Gravel is "frac sand" for the oil industry. Other types of sand produced are filter sand, well-pack sand and engine sand.

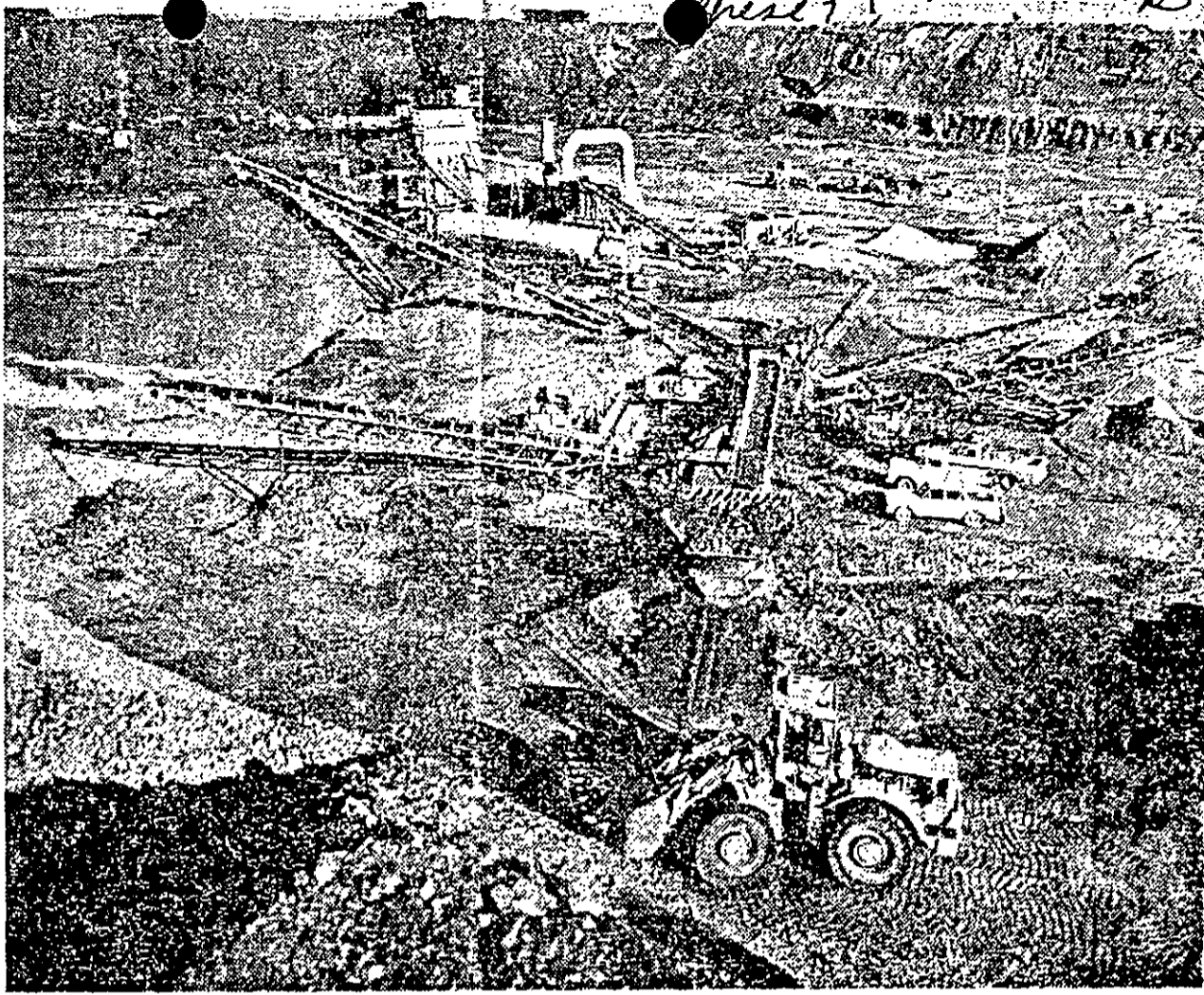
Frac sand is shipped throughout the United States and Canada. The sand is used by the oil industry, which pumps it into oil wells with pressure to open formations.

The company's high-silica sand deposit is at Colorado Springs. It is brought here to be processed into frac sand.

Filter sand is used for water and sewage treatment. Some also is shipped to Republic Steel for use in filter treatment beds.

Well-pack sand is a special grade of sand and gravel, used in water wells to keep undesired water from entering the pure supply.

Engine sand is a dried grade that is used by railroads. It is carried in the sand boxes of locomotives, and is sprinkled onto the tracks in front of drive



ASPHALT PLANT

Slag from the CF&I Steel Corp Pueblo Plant is recycled for use as aggregate in asphalt mix at Foun-

wheels to give locomotives starting and stopping traction.

Two Batch Plants

Fountain Sand & Gravel also has two concrete batch plants in Pueblo County — one at the company headquarters and a satellite operation at the Department of Transportation's (DOT) High-Speed Ground Test Center.

Holmes said the company has done most of the commercial concrete work at DOT, still is supplying concrete for the Comanche Steam Electric Generating Station southeast of here and recently completed the concrete work on the Ideal cement plant at Portland.

A year ago, the firm entered the Colorado Springs market, building a complete complex on the 48-acre site of Rocky Mountain Paving Co. The complex includes a concrete batch plant an asphalt plant, warehouse and office.

Construction of the warehouse and office was unique, Holmes said. The site-cast concrete panels have exposed slag aggregate.

The company also has another 80 acres in Colorado Springs that will be leased or sold as industrial property.

Rocky Mountain Paving became a division of Fountain Sand & Gravel about two years ago. The firm does commercial and contract work in Colorado Springs, and highway projects.

The company has the Beulah highway paving project, which is expected to be completed within the next two weeks. It also is paving roads in Pueblo West.

A new type asphalt plant — the Dryer Drum Plant —

tain Sand & Gravel's Asphalt & Paving Plant. The plant is east of Interstate 25 and so CF&I. A maze of conveyors for the crushing operation moves the waste product to the aggregate pile near asphalt plant at the top of the picture.

sand, gravel and ready-mix concrete are sold. The firm supplied nearly all the material for the Navajo Irrigation Project at Farmington, N.M., Holmes said.

Operation at Vail

Utilizing portable equipment, Alcora Materials presently is working near Vail, crushing for the Porto Mix division.

Acquired by Fountain Sand & Gravel a year ago, Porto Mix operates from Vail west to Grand Valley, with concrete batch plants at Glenwood Springs, Rifle, and Minturn. Grand Valley, located 14 miles west of Rifle,

will be the possible quarters for the oil slateration, Holmes said. Douglas County Ready Mix was purchased last year from Bob Kolbe and Ward Collings, both of Rock.

The company supplies commercial market Douglas County with mix concrete.

A concrete batch plant an asphalt plant is being stalled on S. Titan Road, 14 miles northwest of Rock. Holmes said that plants will be operated by Douglas County Ready Mix.



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FOUNTAIN SAND AND GRAVEL COMPANY

P. O. BOX 535 • PUEBLO, COLORADO 81002 • PHONE 303 • 544-5451

RECEIVED

APR 1 1974

TO LAND RECLAMATION
COLO. DIV. OF MINES
DENVER, CO

SUBJECT

CO. DIV. OF MINES

DATE 29 MARCH 74

MESSAGE

Dear Bob—

Enclosed please find 2 copies of our proposal for our Douglas County Property. I trust it's in time for review @ the April meeting. If you could let me know when, I'm sure Buck Berghard will attend.

Sincerely
Bob Sack

REPLY

DATE