




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: Base Product Gravel Pit 1	MINE/PROSPECTING ID#: M-1994-053	MINERAL: Sand and gravel and material for construc	COUNTY: Montrose
INSPECTION TYPE: Preoperation Inspection	INSPECTOR(S): Lucas J. West	INSP. DATE: July 10, 2018	INSP. TIME: 10:10
OPERATOR: Rock Pile, LLC	OPERATOR REPRESENTATIVE: Doug Flowers	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Pre-operation Inspection	BOND CALCULATION TYPE: None	BOND AMOUNT: \$32,303.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: July 12, 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----- <u>Y</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>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>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

OBSERVATIONS

This inspection was conducted as a pre-operational inspection for the pending Amendment Application, AM-02. The Base Products Gravel Pit # 1 is an active 112 (c) operation located in Montrose County. The site lies at the end of County Road 6175, approximately 2.5 Miles Northwest of the city of Montrose at nearly 5300 feet in elevation. Public access to the site is controlled by locked gate where the pit access road meets County Road 6175. The Site currently consists of 55.4 permitted acres that will be reclaimed to support a post mining land use of rangeland and irrigated cropland. The pending amendment is for the addition of 80.6 acres of land owned by the Operator to the Permitted Area. The Division currently holds \$32,303.00 in Financial Warranty for the site. XXX photos accompany this report to illustrate the current site conditions.

This inspection also served as the routine monitoring inspection for the active portion of the mining operation. The proper mine identification signage was posted at the entrance to the site, as seen in Photo One. The Permit Boundary is clearly marked with t-posts and natural features. The site was active the day of the inspection, stockpiled material was being hauled from the Phase One area. The mining activity is currently affecting only the Phase One area. Phase Two is currently unaffected. The active mining area consists of a benched highwall that appears to be stable and in good condition. The area can be seen in Photos Two and Three. All stockpiles located on the pit floor appear to be stable and in good condition.

The expansion area consists of two 40 acre fields that are currently being utilized for irrigated crop land. The area can be seen in Photos Four through Seven. The proper public notice signage was posted at the entrance to the site as required by Rule 1.6.2 (b). Discussions with the operator indicate that this area is being permitted as a reserve and will likely remain unaffected for several years until both the Phase One and Phase Two areas are mined out. The expansion area is in good condition and remain to be utilized as irrigated cropland until such time as the mining activity progresses.

The currently held Financial Warranty of \$32,303.00 has been reviewed by Division Staff and found that it is sufficient to achieve reclamation of the current disturbance. When the mining activity proceeds into Phase Three and the processing facilities are installed the required financial warranty will need to be reviewed.

Based on the conditions of the site, and the content of the amendment application, the Division of Reclamation Mining and Safety is approving the 80 acre expansion of AM-02. Please see the attached AM-02 Approval letter for details.

The overall footprint of the site is in good condition and free from any trash or debris. No signs of erosion, settling or slumping were observed anywhere in the Permitted Area or the expansion area. No state listed noxious weeds, problems or possible violations were noted during the inspection. All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety at 1313 Sherman Street, Room 215, Denver CO, 80203, by phone at (970)-243-6368 or by email at lucas.west@state.co.us.

PHOTOGRAPHS

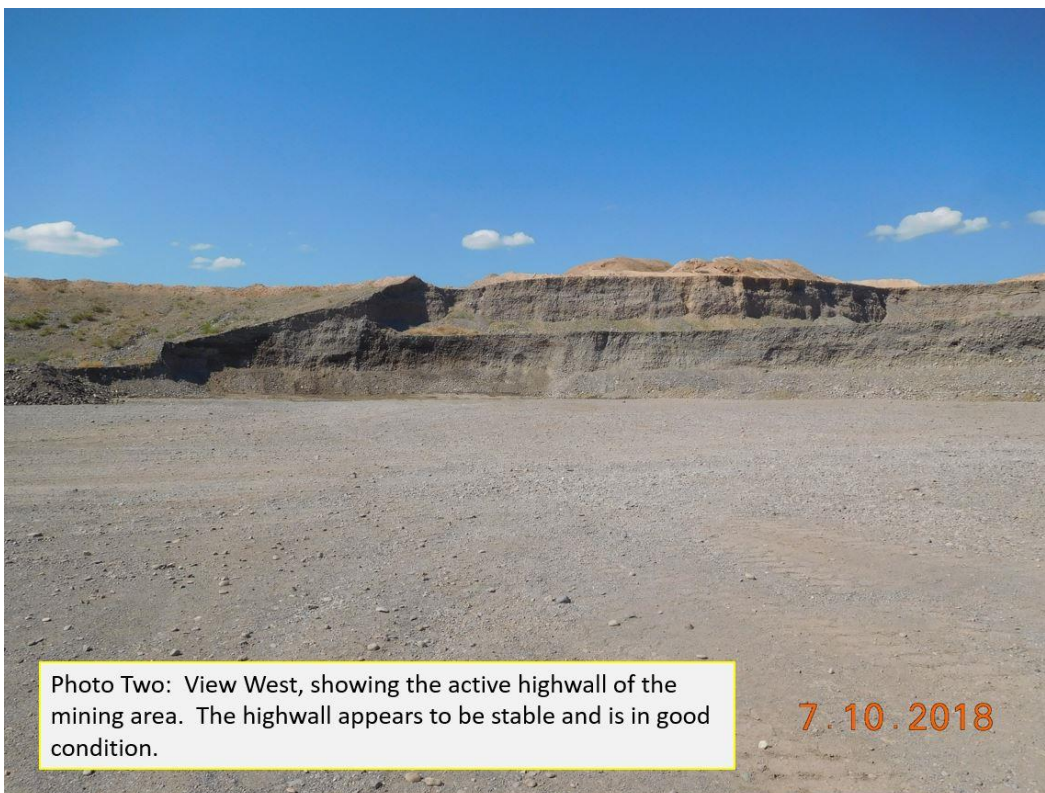






Photo Five: View East, showing another section of the expansion area. The current Permit Boundary is delineated by T-posts along the dirt road.

7.10.2018



Photo Six: View North showing the proposed expansion area. This photo is taken from the far Southwest corner of the expansion area.

7.10.2018



Inspection Contact Address

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Enclosure M-1994-053 AM-02 Approval Letter

CC: Ben Langenfeld, P.E., Greg Lewicki and Associates