


**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.

<b>MINE NAME:</b> Lily Mines	<b>MINE/PROSPECTING ID#:</b> M-1987-028	<b>MINERAL:</b> Marble	<b>COUNTY:</b> Chaffee
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Dustin M. Czaplá	<b>INSP. DATE:</b> July 11, 2018	<b>INSP. TIME:</b> 12:00
<b>OPERATOR:</b> Monarch Mountain Minerals and Aggregates,	<b>OPERATOR REPRESENTATIVE:</b> Eric Leigh	<b>TYPE OF OPERATION:</b> 112c - Construction Regular Operation	

<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> Complete Bond	<b>BOND AMOUNT:</b> \$282,000.00
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> July 16, 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:** Availability Of Records

**PROBLEM/POSSIBLE VIOLATION:** Problem: Operator has failed to annually report geotechnical information regarding construction of highwalls and benches as committed to. In correspondence received October 16, 2006 from Azurite, Inc., the operator has committed to "...creation of a separate section in each annual reclamation report that describes geotechnical observations and tests conducted over the previous year and reports on the design and construction of highwalls and benches based on the geotechnical investigations." This condition was implemented into the permit through approval of CN-1 on May 9, 2007.

**CORRECTIVE ACTIONS:** Submit the required geotechnical reporting information.

**CORRECTIVE ACTION DUE DATE:** 10/31/14

## **OBSERVATIONS**

This inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Eric Leigh, representing the Operator, was present during this inspection. Photographs are included with this report in order to illustrate some of the conditions observed.

The Lily Mines site is located approximately fifteen miles west of Poncha Springs and accessed from FR 228. The site is a 112c operation that includes a total of 97 permitted acres. The Division currently holds a financial warranty amount of \$282,000.00 for this site. The Division has reviewed the reclamation costs, in order to ensure the financial warranty reflects the actual current cost of fulfilling the requirements of the Reclamation Plan, and determined that the current financial warranty amount is adequate.

Adequate mine identification signage was noted at the entrance to the site.

The affected area boundary markers were not observed, however, the disturbance at the site appears to be well within the permit area.

Mining was occurring during this inspection, with the highwall advancing to the north. Waste rock is being placed up against the lower highwall area. Product stockpiles and crushing equipment were located on the lower bench.

The reclaimed slope in the south permit area adjacent to Taylor Gulch is becoming well vegetated and appears stable. Rills or gullies were not observed on the slope.

The rip-rap areas of Taylor Gulch below FR 228 appear stable.

Stormwater management berms are in place and appear effective.

A condition of the permit requires the operator to include a report describing geotechnical conditions related to construction of the highwalls with their annual report each year. A review of the permit file found that this condition has not been complied with. This is an outstanding problem noted in previous inspection reports as well.

No other problems or violations were noted during this inspection.

Responses to this inspection report should be directed to Dustin Czapla at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 South 3<sup>rd</sup> Street, Room 301, Grand Junction, Colorado 81501, phone number (970) 243-6299.



Adequate sign at mine entrance



View from the stockpile bench



View from the stockpile bench



Stockpile bench



Stockpile bench



Stockpile bench





Explosives storage located on bench below active mining area



Slope below active operations bench



Current mining/operations area



Current mining/operations area



Current mining area



Current mining area





View from upper mine bench



View from upper mine bench

### **GENERAL INSPECTION TOPICS**

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

(AR) RECORDS----- <b><u>PB</u></b>	(FN) FINANCIAL WARRANTY----- <b><u>Y</u></b>	(RD) ROADS----- <b><u>Y</u></b>
(HB) HYDROLOGIC BALANCE----- <b><u>Y</u></b>	(BG) BACKFILL & GRADING----- <b><u>Y</u></b>	(EX) EXPLOSIVES----- <b><u>Y</u></b>
(PW) PROCESSING WASTE/TAILING---- <b><u>N</u></b>	(SF) PROCESSING FACILITIES----- <b><u>N</u></b>	(TS) TOPSOIL----- <b><u>N</u></b>
(MP) GENL MINE PLAN COMPLIANCE- <b><u>Y</u></b>	(FW) FISH & WILDLIFE----- <b><u>N</u></b>	(RV) REVEGETATION---- <b><u>N</u></b>
(SM) SIGNS AND MARKERS----- <b><u>Y</u></b>	(SP) STORM WATER MGT PLAN---- <b><u>N</u></b>	(RS) RECL PLAN/COMP-- <b><u>N</u></b>
(ES) OVERBURDEN/DEV. WASTE----- <b><u>N</u></b>	(SC) EROSION/SEDIMENTATION--- <b><u>Y</u></b>	(ST) STIPULATIONS----- <b><u>N</u></b>
(AT) ACID OR TOXIC MATERIALS----- <b><u>Y</u></b>	(OD) OFF-SITE DAMAGE----- <b><u>N</u></b>	

Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

### **Inspection Contact Address**

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