




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: Speer Mining Resource	MINE/PROSPECTING ID#: M-1983-176	MINERAL: Gravel	COUNTY: Adams
INSPECTION TYPE: Monitoring	INSPECTOR(S): Jared L. Ebert	INSP. DATE: July 19, 2018	INSP. TIME: 09:00
OPERATOR: Asphalt Specialties Co., Inc.	OPERATOR REPRESENTATIVE: Gary Stillmunks and Greg Geras	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Partial Bond	BOND AMOUNT: \$678,169.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: July 25, 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>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>NA</u>	(SF) PROCESSING FACILITIES----- <u>NA</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>N</u>	(SP) STORM WATER MGT PLAN---- <u>NA</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>NA</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</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 was a monitoring inspection of the Speer Mining Resource site, Division of Reclamation, Mining and Safety (DRMS or Division) permit number M-1983-176, operated by Asphalt Specialties Co., Inc. (ASCI). I, Jared Ebert with DRMS conducted the inspection. Mr. Gary Stillmunks and Greg Geras with ASCI accompanied me during the inspection.

The Operator holds a 112c reclamation permit for this site. The permit area is 75.5 acres with an approved post mining land use designated as General Agriculture. Mining is complete at the site and ASCI has previously operated an inert fill/recycling facility at the site.

On May 25, 2018, DRMS received a phone call and an e-mail from the Adams County Attorney's Office notifying the Division that ASCI may be in violation of County zoning regulations. On June 20, 2018, DRMS sent a letter to ASCI requesting that they provide DRMS with a timeline for obtaining compliance with Adams County. On July 18, 2018, DRMS received a letter from ASCI indicating they were in negotiations with Adams County to reach a settlement agreement. During this inspection, Mr. Stillmunks indicated ASCI has signed the proposed settlement agreement and they are awaiting Adams County concurrence.

During the course of time from Adams County's initial notification to DRMS, Adams County indicated that the Operator has finished backfilling activities at the site. The Division conducted this inspection to meet with ASCI regarding the complaint received from the County and to check the current reclamation activities at the site.

Acid And Toxic Materials:

At the time of the inspection several piles of recycled inert material were observed at the site. The Division did not observe any non-inert material being backfilled into the open pit at the time of the inspection.

Backfilling and Grading:

Mr. Stillmunks and Mr. Geras indicated ASCI is no longer filling the pit excavation with inert material. The currently approved reclamation plan indicated ASCI would backfill the pit excavation with inert material and leave a 7-acre lined pit to be used for water storage. However, backfilling activity at the site has left a smaller open water pond. According to Mr. Geras, ASCI performed a survey and estimates the lake area to be about 2.5 acres in size. They do not intend line the pond.

Hydrologic Balance:

According to Mr. Geras, ASCI is seeking a permanent plan for augmentation as the pond will no longer be lined. ASCI has installed a French drain on the north side of the site near where the "Phase 2" section of the drain was to be installed. The French drain, as it is built and installed, is different than the design currently approved by the Division. As the pit excavation will no longer be lined, the Operator has installed the drain to flow into the open groundwater pond at the south end of the pond. An inlet into an additional section of French drain has been installed at the north end of the pond and the French drain continues northwest and discharges into the adjacent river. The French drain stand pipes and outlet/discharge point was observed. Water was flowing and discharging from the French drain.

According to Mr. Geras, they have a certified as-built for the "Phase 2" portion of the French drain. DRMS

requests ASCI provide a copy of the certification for our files. Also, the Operator will need to submit and receive approval of a Technical Revision to modify the design of the French drain and revise the reclamation plan to remove the requirement to install a clay liner around the pond.

Reclamation Success:

The majority of the area has been backfilled and graded fairly level. Once the final stockpiles of recycled material have been utilized, the Operator will need to spread the required 1 and ½ feet of topsoil/growth media and revegetate the site in accordance with the approved reclamation plan.

As discussed above, ASCI will need to revise the reclamation plan to remove the requirement to line the pond. Also, ASCI will need to revise the French drain design to account for the revised site configuration.

PHOTOGRAPHS



Figure 1. From near the center of the site looking south.



Figure 2. From near the center of the site looking east.



Figure 3. From near the center of the site looking north.



Figure 4. Discharge point for the French drain.



Figure 5. From the north end of the pond looking south.



Figure 6. From the east side of the pond looking north.



Figure 7. From the south end of the site looking north.

Inspection Contact Address

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Enclosure

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