




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: Garrett Pit	MINE/PROSPECTING ID#: M-1978-271	MINERAL: Sand and gravel	COUNTY: Conejos
INSPECTION TYPE: Preoperation Inspection	INSPECTOR(S): Lucas J. West	INSP. DATE: August 3, 2018	INSP. TIME: 10:45
OPERATOR: Asphalt Gravel Products, Inc.	OPERATOR REPRESENTATIVE: Alonzo Salazar	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Preoperation Inspection	BOND CALCULATION TYPE: None	BOND AMOUNT: \$181,755.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: August 3, 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>N</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>N</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>Y</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>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</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 a pre-operational inspection for the pending Amendment Application, AM-01. The Garrett Pit is an active 112(c) operation located in Conejos County. The site lies at the intersection of County Road 9 and County Road EE approximately 13.5 Miles Southwest of Alamosa, CO at 7700 feet in elevation. Public access to the site is controlled by a locked access gate where the access road meets the county road. The site currently consist of 80 permitted acres that will be reclaimed to support a post mining land use of rangeland. The pending amendment is for the addition of 560 acres or land for a total permit area of 640 Acres. All affected lands will be reclaimed to support a post mining land use of rangeland. The Division currently holds \$181,755.00 in financial warranty for the site. A reclamation cost estimate was not performed at this time but will be conducted as part of the amendment application review process. Any change to the required financail warranty will be sent to the Operator under a separate cover. Seven Photos accompany this report to illustrate the current site conditions.

This inspection also served as the routine monitoring inspection for the active protion of the iminin operation. The porper mine identification sinage was posted at the entrance to the site, and the current permitted area was clearly marked with a series of t-posts and fencelines. The active mining area consists of a pit floor, highwall approximately 20 feet tall and 200 linear feet, as well as various stockpiles located throught the permit area. The site was not active during the inspection. The highwall observed appears to be stable and in good condition and can be seen in Photo One. The mining phase directly to the west of the active minin phase has been stripped in preperation for mining. Photos Two and Three show the examples of the various stockpiles located on the pit floor and throughout the permitted area. All stockpiles observed are in good condition and appear to be stable. The pit floor, scraped area and stockpile areas are all exhibit positive drainage and no signs of settling slumping or erosion were noted during the inspection. No regulated noxious weeds were observed.

The expansion area consists of 560 acres that is to be added to the permit area. The resulting permit area will be 640 acres that will be reclaimed with sloped side walls, graded pit floor that will be topsoiled and revegetated. The expansion area appears to be stable and in good condition, the vegetation is charachteristic of the high desert region and consists of small grass species as well as sage and other brush species. The expansion area can be seen in Photos Four through Six. The permanent man-made structure listed in Exhibit S of the amendment application were observed during the inspeciton. Discussions with the adjacent propety owner, Mr. and Mrs. Claunch indicated that in the southeast corner of the expansion area, two irrigation ditches exist and both are owned and operated by the Terrace Irrigation Company. The amendment application and it's associated maps only indicate one ditch exists within the expansion area. The two ditches converge along the southern boundary before entering the irrigation system owned by Mr. and Mrs. Claunch. Photo Seven shows the point at which the two ditches converge within the expansion area. Please see the Amendment Application Adequacy Review for details on the clarifications that will be required.

The active mining area and expasion areas area free from trash and debris, exhibit posotive drainage and were free from any regulated noxious weeds. No problems or possible violations were noted during this inspection. All responses to this report should be directed to Lucas West at the Colorado Divison of Reclamaiton, 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.

Inspection Contact Address:

Alonzo Salazar
Southway Construction Company Inc.
117 White Pine Drive
Alamosa, CO 81101

PHOTOGRAPHS



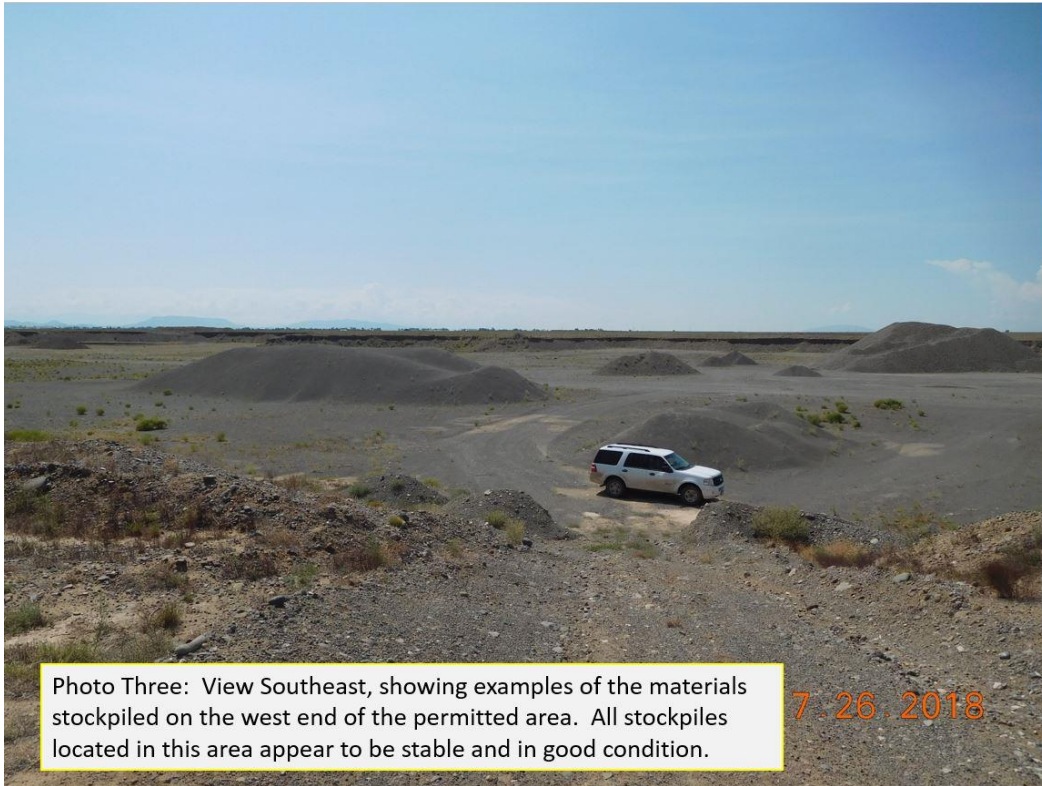






Photo Seven: View Southwest showing the point that the two irrigation ditches converge before leaving the expansion area. The existence of the second ditch will need to be addressed through the amendment application's adequacy review.