

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:	MINE/PROSPECTING ID#:	MINERAL:	COUNTY:	
Shangri La Pit	M-1989-024	Gravel	Custer	
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:	
Monitoring	Timothy A. Cazier	October 2, 2018	15:00	
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:		
Edward M. Yaklich	Joanie Yaklich and John Houston	110c - Construction Limited Impact		
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:		
Normal I&E Program	None	\$5,000.00		
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:		
NA	None	None		
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DAT	E:	
Cloudy	Thing US=	October 9, 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>NA</u>
(HB) HYDROLOGIC BALANCE <u>Y</u>	(BG) BACKFILL & GRADING NA	(EX) EXPLOSIVES <u>NA</u>
(PW) PROCESSING WASTE/TAILING NA	(SF) PROCESSING FACILITIES NA	(TS) TOPSOIL <u>NA</u>
(MP) GENL MINE PLAN COMPLIANCE- NA	(FW) FISH & WILDLIFE $\underline{\mathbf{Y}}$	(RV) REVEGETATION <u>Y</u>
(SM) SIGNS AND MARKERS <u>NA</u>	(SP) STORM WATER MGT PLAN NA	(RS) RECL PLAN/COMP <u>NA</u>
(ES) OVERBURDEN/DEV. WASTE NA	(SC) EROSION/SEDIMENTATION NA	(ST) STIPULATIONS <u>Y</u>
(AT) ACID OR TOXIC MATERIALS NA	(OD) OFF-SITE DAMAGE <u>NA</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 part of the regular monitoring program. The Permittee (Edward M. Yaklich) was represented by Joanie Yaklich and John Houston. The Shangri La Pit site is accessed from Custer Co Rd 129 (Macey Lane) and is located approximately 1.2 miles south of Co Rd 160 (Hermit Road) or roughly 2 miles southwest of Westcliffe. This is a 110c gravel mine.

No mining equipment was operating or present at the time of the inspection. The site representatives indicated that the mining project never commenced. No mining disturbance was observed during the inspection. Based on the conditions observed at the site during the inspection (see **Photos 1** and **2**), it appears no mining ever took place on the site. As mining has not been initiated, a permit sign and boundary markers are not required.

<u>Availability of Records:</u> Annual fees are paid through July 2018. The previous inspection was on August 6, 2014 which was for a full release request. Subsequent to that inspection the release request was withdrawn (9/22/2014). The approved post-mine land use is wildlife habitat, including a pond. There are no open infractions.

<u>Financial Warranty:</u> The Division holds a \$5,000 bond for site reclamation. Should mining be initiated, the bond should be re-evaluated as it has likely not been reviewed since the 1989 permit approval.

<u>Hydrologic Balance:</u> As no pit was observed, no standing water or exposed groundwater was observed. However, Mr. Houston indicated groundwater was likely less than 10 feet from the ground surface. The Division informed the site representatives that should mining be initiated, regulations with respect to exposed groundwater have changed since the permit was issued. The Division of Water Resources will require a well permit and water rights will need to be addressed, either in the form of a substitute water supply plan (SWSP) or an augmentation plan.

Revegetation: No noxious weeds were observed.

PHOTOGRAPHS



Photo 1. Proposed location (looking SE from gate on south side of residence).



Photo 2. Proposed location (looking SW from gate on south side of residence).

PERMIT #: M-1989-024 INSPECTOR'S INITIALS: TC1 INSPECTION DATE: October 2, 2018

Inspection Contact Address

Gamon Yaklich Edward M. Yaklich 1129 Pine Ave. San Jose, CA 95125

ec: DRMS File

Joanie Yaklich