



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.

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| MINE NAME: Goodrich Pit | MINE/PROSPECTING ID#: M-2019-005 and M-2017-005 | MINERAL: Aggregate and grave | COUNTY: Las Animas |
| INSPECTION TYPE: Preoperation Inspection | INSPECTOR(S): Jared L. Ebert | INSP. DATE: March 20, 2019 | INSP. TIME: 08:20 |
| OPERATOR: Fremont Paving & Redi-Mix, Inc. | OPERATOR REPRESENTATIVE: Phil Crumb | TYPE OF OPERATION: 112c - Construction Regular Operation | |

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| REASON FOR INSPECTION: Preoperation Inspection | BOND CALCULATION TYPE: Complete Bond | BOND AMOUNT: No Bond Held |
| DATE OF COMPLAINT: NA | POST INSP. CONTACTS: None | JOINT INSP. AGENCY: None |
| WEATHER: Clear | INSPECTOR'S SIGNATURE: | SIGNATURE DATE: March 27, 2019 |

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.

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| (AR) RECORDS----- <u>Y</u> | (FN) FINANCIAL WARRANTY----- <u>NA</u> | (RD) ROADS----- <u>Y</u> |
| (HB) HYDROLOGIC BALANCE----- <u>Y</u> | (BG) BACKFILL & GRADING----- <u>Y</u> | (EX) EXPLOSIVES----- <u>Y</u> |
| (PW) PROCESSING WASTE/TAILING---- <u>NA</u> | (SF) PROCESSING FACILITIES----- <u>Y</u> | (TS) TOPSOIL----- <u>Y</u> |
| (MP) GENL MINE PLAN COMPLIANCE- <u>Y</u> | (FW) FISH & WILDLIFE----- <u>Y</u> | (RV) REVEGETATION---- <u>NA</u> |
| (SM) SIGNS AND MARKERS----- <u>Y</u> | (SP) STORM WATER MGT PLAN---- <u>NA</u> | (RS) RECL PLAN/COMP-- <u>NA</u> |
| (ES) OVERBURDEN/DEV. WASTE----- <u>NA</u> | (SC) EROSION/SEDIMENTATION--- <u>Y</u> | (ST) STIPULATIONS----- <u>NA</u> |
| (AT) ACID OR TOXIC MATERIALS----- <u>NA</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 pre-operation inspection of the proposed Goodrich Pit, Division of Reclamation, Mining and Safety (DRMS or Division) application number M-2019-005. The applicant for this operation is Fremont Paving and Redi Mix, Inc (FPRM). Mr. Phil Crumb with FPRM accompanied me during the inspection.

FPRM has submitted a 112c permit application that essentially adds fifty acres to a currently approved permit area under permit number M-2017-005, for a total proposed permit area of 80 acres. Permit M-2017-005 is a 30 acre 111c permit. Mining has already occurred under the 111c permit in the eastern portion of the proposed permit area.

The proposed permit area encompasses the top of a portion of a mesa. Mining is proposed to continue west and then north of the currently affected land. The proposed expansion area was observed. This area is a relatively gentle sloped mesa top with native grass established. A small stock pond embankment was observed in the northwest corner of the proposed expansion area. This stock pond is not accounted for in the 112c application. The Division has issued an adequacy review letter for the 112c application and is awaiting the applicant's response. The Division is required to issue a decision on the application on May 6th, 2019.

Backfilling and Grading:

The Operator has begun excavation under the 111c permit that appears to be in the Phase 1 area shown on the proposed mining plan map submitted with the 112c permit application. A small pit excavation currently exists in the northeast portion of the affected area. A box cut with near vertical side slopes exists, and the Division estimates the length of the current highwall is about 570 feet and is about 25 feet in height.

Explosives:

The Operation was inactive at the time of the inspection and thus blasting was not occurring.

Hydrologic Balance:

The excavation is occurring on the top of a dry mesa. No water was observed in the pit.

Gen. Compliance With Mine Plan:

The Operator has affected about 18 acres of land not including the newly created access road. The affected land has been stripped of topsoil and the pit area is located in the northeast portion of the affected area. Topsoil and any additional overburden has been placed in stable berms primarily on the south side of the affected land.

Off-site Damage:

The current permit boundary for the 111c permit area is marked with markers and the affected land appears to be within the approved boundary.

PHOTOGRAPHS

Goodrich Pit, M-2019-005

Pre-operation Inspection, March 20, 2019

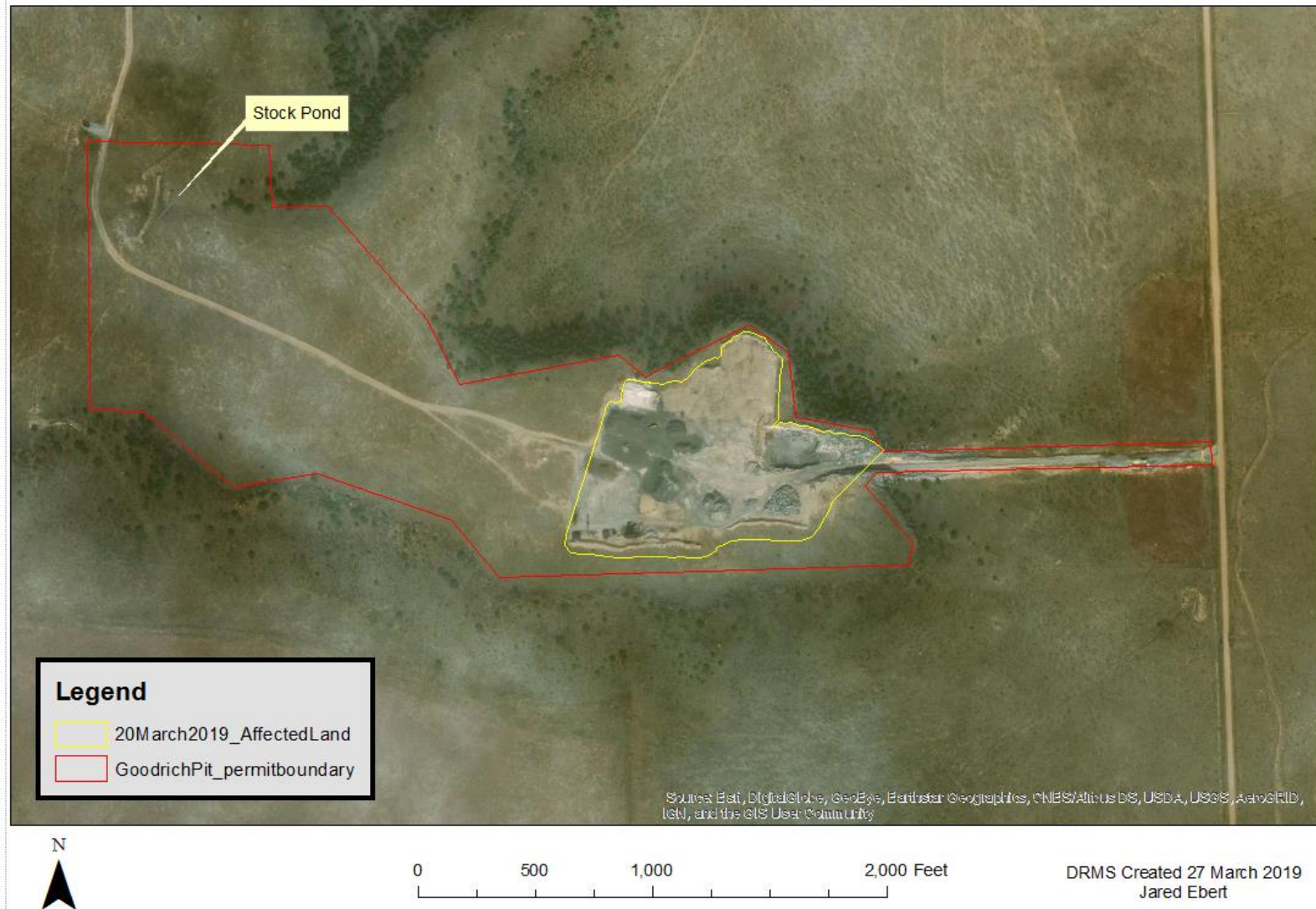




Figure 1. From the entrance looking west at the access road.



Figure 2. From the west end of the expansion area looking east.



Figure 3. Stock water pond embankment in the northwest portion of the permit area.



Figure 4. Stockpile area on the west side of the affected area.



Figure 5. From the southwest corner of the affected land looking west.



Figure 6. From the southwest corner of the active pit looking north.



Figure 7. From the southeast corner of the active pit area looking northwest.

Inspection Contact Address

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