


**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.

MINE NAME: Lob Lolly Pit	MINE/PROSPECTING ID#: M-2013-066	MINERAL: Borrow material for gravel and sand	COUNTY: Archuleta
INSPECTION TYPE: Monitoring	INSPECTOR(S): Lucas J. West	INSP. DATE: May 14, 2019	INSP. TIME: 15:36
OPERATOR: Arboles Sand & Stone, LLC	OPERATOR REPRESENTATIVE: Steve Wright	TYPE OF OPERATION: 112c - Construction Regular Operation	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$46,828.32
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: May 31, 2019

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: The Annual Map that was submitted does not accurately reflect the conditions on the ground. New excavations, stockpile area exist that are not reflected on the map and some features that are included are now different.**CORRECTIVE ACTIONS:** Within 30 days of the date of this report, the Operator shall submit a new current annual report map pursuant to Rule 1.15. The new map should at a minimum show the current features, reclaimed areas, disturbed areas, planned expansion areas for the coming year, and if possible, show the map on updated satellite imagery. The new map should be submitted no later than Monday July 29, 2019.**CORRECTIVE ACTION DUE DATE:** Monday July 1, 2019**INSPECTION TOPIC:** Gen. Compliance With Mine and Reclamation Plan**PROBLEM/POSSIBLE VIOLATION:** Problem: The current mine plan needs to be updated and clarified pursuant to C.R.S. 34-32.5-112 (1)(c)(VI). The operator must provide sufficient information to accurately reflect the current conditions on the ground as well as how the Operator intends to conduct future mining activities.

Also the current reclamation plan needs to be updated and clarified pursuant to C.R.S. 34-32.5-112 (a) and (b),

as well as C.R.S. 34-32.5-116 (1). Please clarify which seed mix will be used in which areas, as well as all necessary information to accurately conduct a reclamation cost estimate update. This information should include but is not limited to; volumes for grading required to achieve the reclamation topography broken down by area, areas to be ripped for de-compaction, any demolition or disposal that is required, and details of the revegetation including how many acres are to be seeded with what seed mix.

CORRECTIVE ACTIONS: The operator shall submit a Technical Revision, with the required \$216 revision fee, to update and clarify the requested information for both the Mining and Reclamation Plans and include any updated maps as are necessary to convey the required information. The Operator shall also submit an itemized reclamation cost estimate with all required volumes and acreages pursuant to Construction Materials Rule 6.4.12. The revision with all its required information as well as the application fee of \$216.00 must be received by the Division's Denver office within 30 days of the date of this report.

CORRECTIVE ACTION DUE DATE: Monday July 1, 2019

OBSERVATIONS

This inspection was conducted as part of the normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety. The Lob Lolly pit is an active 112c operation located just off Highway near the town of Arboles, CO at nearly 6200 feet in elevation. The site consists of two segregated permit areas designated as the North Permit Area and the South Permit area, totaling 171 permitted acres that will be reclaimed to support mixed post mining land uses, including agricultural, wildlife habitat and industrial/commercial. Visual and satellite imagery estimates indicate that approximately 40 acres have been disturbed. The Permit area lies entirely on land owned by the Operator. A reclamation cost estimate update was not performed at this time as there are several details that need to be clarified. Once the Technical Revision described in this report is submitted and approved, a reclamation cost estimate update will be performed so that it more accurately represents the actual costs to achieve reclamation in accordance with the approved Reclamation Plan. In addition to the Operator and the inspector listed on page one of this report the site foreman for Crossfire Aggregate, who is contracted to conduct mining operations, was present during the inspection. Eight Photos accompany this report to illustrate the current site conditions. The site was active during the inspection in that crushing operations were taking place in the North Permit Area. The proper Mine Identification signage was posted at the entrance to the site as seen in Photo One and the permit boundaries were clearly identified in both areas.

South Permit Area

The South Permit Area consists of approximately 14 disturbed acres that are currently in final reclamation. All mining activities have been completed in this area. All grading and earth work has been completed to achieve the final reclamation topography. All grading of the upland areas appears to be nearly flat with gentle slopes leading down to the pond. All slopes, as well as the banks of the pond are 3H: 1V or shallower. Photos Two and Three show the majority of the South Permit Area. All grading appears to be stable and in good condition. A few minor erosional features were identified during the inspection, however those features will be repaired during the seedbed preparation phase of the revegetation efforts. The Operator indicated that revegetation of the area will be conducted in the coming weeks. On the west side of the access road is a small laydown yard that includes various pieces of equipment and stockpiled material that is owned by the Operator. The equipment appears to be in good condition and the stockpiles are stable. No noxious weeds were noted in

the South Permit Area during the inspection.

North Permit Area

The North Permit Area is estimated to consist of approximately 26.6 disturbed acres. All mining, crushing and stockpiling activities are confined to this area. The processing areas including the washout pond, seen in Photo Four is clean and well kept, all equipment and stockpiles are in good condition. The mining operations have created two ponds. Pond One is approximately 3 acres, seen in Photos Five and Six is the current area that is being mined. It has a highwall that is approximately 15 feet above the water line, extends an unknown distance below the water line and is nearly 250 feet long. The highwall is vertical or near vertical on the western bank. The north, south and east banks are all approximately 1.5H : 1V or steeper and will need to be relaxed significantly to achieve final reclamation topography. During mining activities Pond One is dewatered into Pond Two, and vice versa to create a non-discharging facility. Pond Two is approximately 2 acres and can be seen in Photos Seven and Eight. Unlike Pond One no defined highwall exists at this pond however all banks appear to be nearly 1.5H : 1V or steeper and will also need to be relaxed significantly to achieve the final reclamation topography. No sloughing or significant erosional features were noted around either one of the ponds during this inspection.

As part of the normal review of permitted sites, Division Staff regularly updates the reclamation cost estimate to ensure the financial warranty accurately reflects the current cost to achieve reclamation. Review of the permit record indicates that the Mining Plan does not accurately reflect the conditions on the site and Reclamation plan needs to be updated and clarified. Pursuant to C.R.S. 34-32.5-112 (1)(c)(VI) and C.R.S. 34-32.5-116 (1) the operator must provide sufficient information to accurately reflect the current conditions on the ground as well as how the Operator intends to conduct future mining activities. Details should include but are not limited to, size, volume and location of the ponds, specifics on dewatering operations conducted during mining including pump model and size and estimated recharge rate of the ponds. Please note that the max allowed disturbance in the Permit File allows for 15 acres of disturbance, and the current estimated disturbance on site is +-40 Acres and needs to be updated. Affected lands are considered disturbed until the proper vegetative cover has been established. Please identify the number of acres that will be disturbed at any given time including the South Permit Area, the currently disturbed North Permit Area and the planned future disturbed areas.

Also the current reclamation plan needs to be updated and clarified to include reclamation details of the North Permit Area, pursuant to C.R.S. 34-32.5-112 (a) and (b), as well as C.R.S. 34-32.5-116 (1). This information should include but is not limited to; volumes for grading required to achieve the reclamation topography broken down by area including details on if dewatering of the ponds. If dewatering is not required please identify the methods that will be used to achieve compliance with Construction Materials Rule 3.1.5(7). Also please identify areas to be ripped for de-compaction and details of the revegetation including how many acres are to be seeded with what seed mix. . The Operator shall also submit an itemized reclamation cost estimate with all required volumes and acreages pursuant to Construction Materials Rule 6.4.12.

The Technical Revision, with the required \$216 revision fee, to update and clarify the current approved Mining and Reclamation Plans to reflect existing and proposed activities as well as the updated Annual Report Map should be submitted within **30 days** of the date of this report, no later than Monday July 1, 2019. All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety at 1313 Sherman Street, Room 215, Denver CO, 80203, by phone at 303-866-3567 Ext. 8187 or by email at lucas.west@state.co.us.

PHOTOGRAPHS



Photo One: View west, showing the proper mine ID signage posted at the entrance to the site. The contracted mining company, Crossfire Aggregate Services has an additional sign.

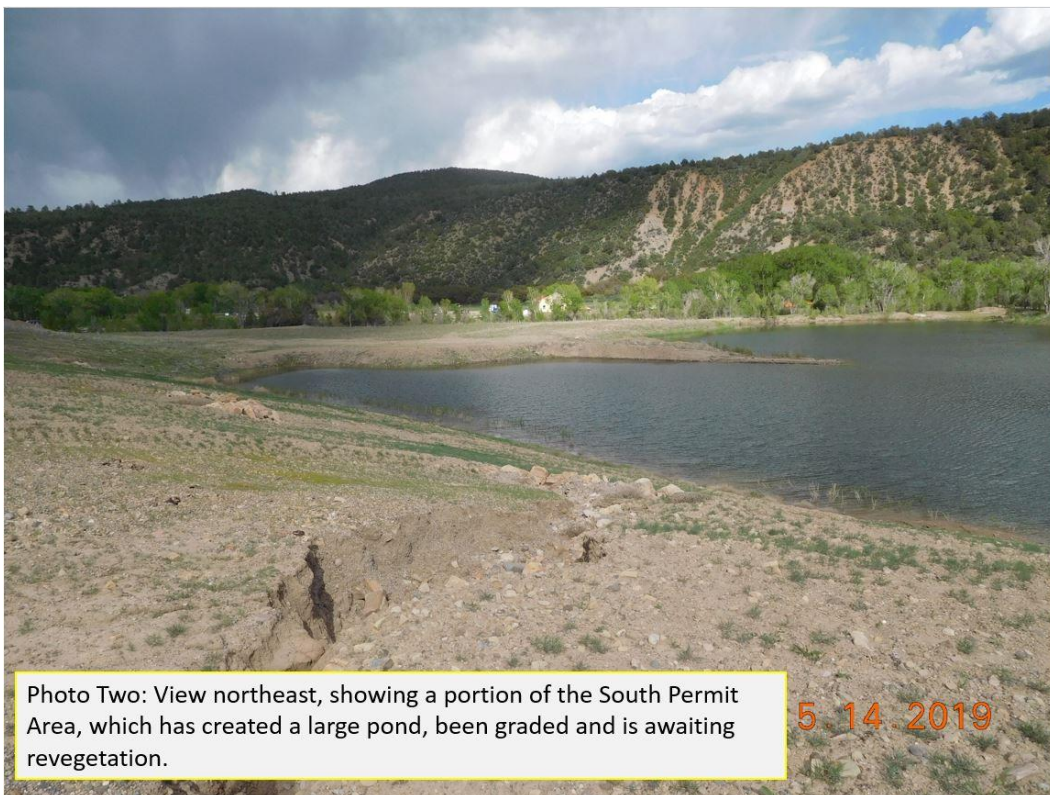
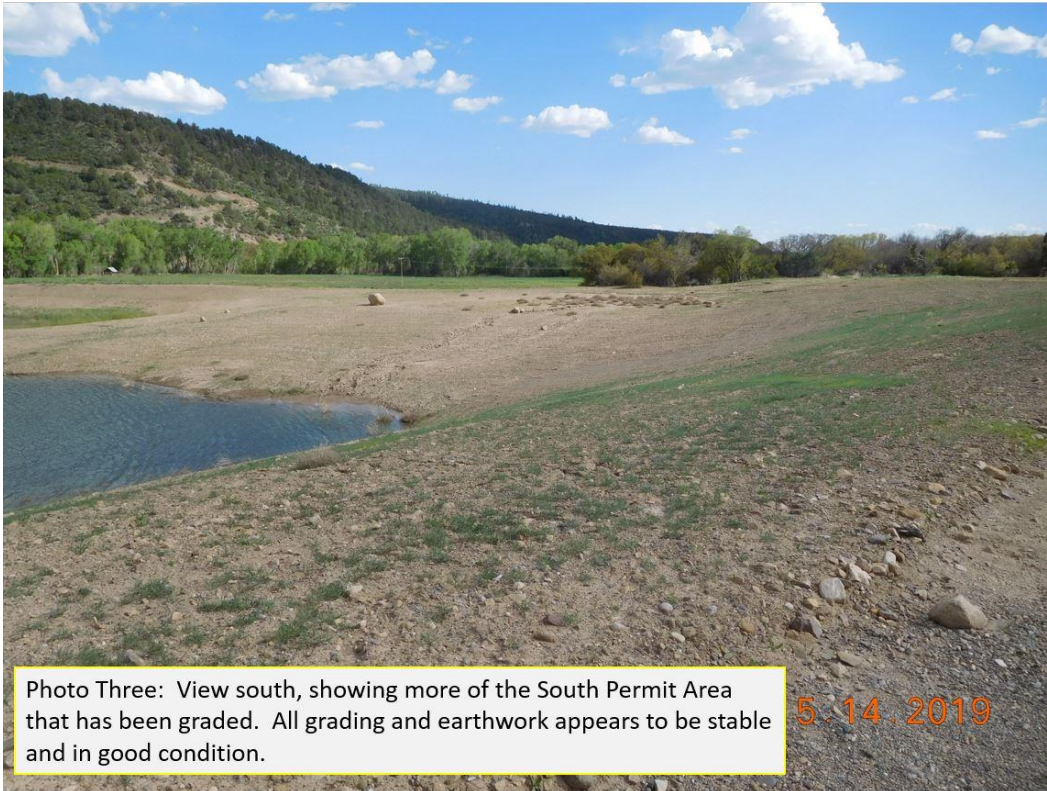


Photo Two: View northeast, showing a portion of the South Permit Area, which has created a large pond, been graded and is awaiting revegetation.



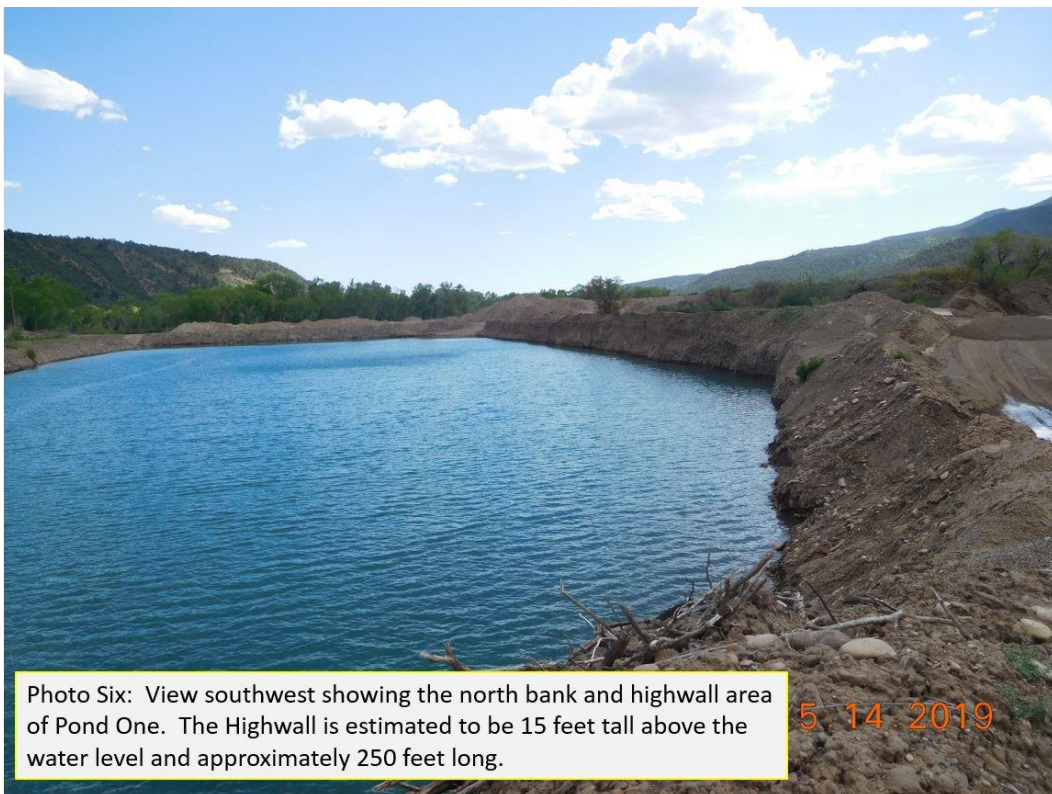
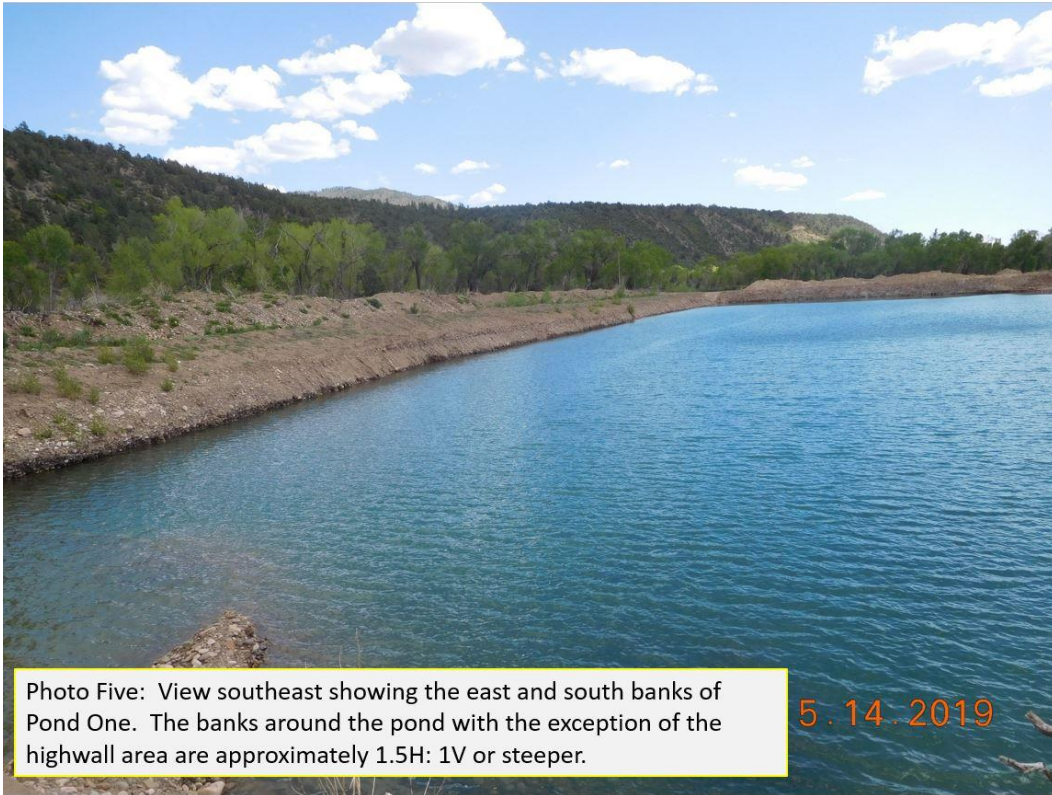




Photo Seven: View southwest showing the steep slopes that will need to be graded around Pond Two.

5.14.2019



Photo Eight: View east, showing more of the perimeter of Pond Two which will require significant grading to achieve final reclamation topography.

5.14.2019

GENERAL INSPECTION TOPICS

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

(AR) RECORDS----- <u>PB</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>PB</u>	(FW) FISH & WILDLIFE----- <u>Y</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>Y</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>N</u>	

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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Arboles Sand & Stone, LLC
12577 Highway 151
Pagosa Springs, CO 81147

Enclosure

CC: Nathan Barton, Wasteline, Inc.