

Clear

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: |
|---|--|--------------------------|---------------------------------------|-------------|
| Lyster Pit | | M-2008-009 | Sand and gravel | Moffat |
| INSPECTION TYPE: | | INSPECTOR(S): | INSP. DATE: | INSP. TIME: |
| Illegal(Unpermitted Operation) | | Amy C. Yeldell | June 12, 2019 | 10:30 |
| OPERATOR: | | OPERATOR REPRESENTATIVE: | TYPE OF OPERATION: | |
| Oldcastle SW Group, Inc. dba United Compar Jason Burkey | | | 112c - Construction Regular Operation | |
| | | | | |
| REASON FOR INSPECTION: | | BOND CALCULATION TYPE: | BOND AMOUNT: | |
| Normal I&E Program | | Complete Bond | \$152,060.00 | |
| DATE OF COMPLAINT: | | POST INSP. CONTACTS: | JOINT INSP. AGENCY: | |
| NA | | None | None | |
| WEATHER: INSPECTO | | CTOR'S SIGNATURE: | SIGNATURE DAT | E: |

June 27, 2019

GENERAL INSPECTION TOPICS

Amy Geldell

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

| (AR) RECORDS <u>Y</u> | (FN) FINANCIAL WARRANTY <u>Y</u> | (RD) ROADS <u>Y</u> |
|-----------------------------------|--|------------------------------|
| (HB) HYDROLOGIC BALANCE <u>Y</u> | (BG) BACKFILL & GRADING <u>Y</u> | (EX) EXPLOSIVES <u>NA</u> |
| (PW) PROCESSING WASTE/TAILING N | (SF) PROCESSING FACILITIES \underline{Y} | (TS) TOPSOIL <u>N</u> |
| (MP) GENL MINE PLAN COMPLIANCE- Y | (FW) FISH & WILDLIFE \underline{Y} | (RV) REVEGETATION <u>Y</u> |
| (SM) SIGNS AND MARKERS PB | (SP) STORM WATER MGT PLAN N | (RS) RECL PLAN/COMP <u>Y</u> |
| (ES) OVERBURDEN/DEV. WASTE N | (SC) EROSION/SEDIMENTATION N | (ST) STIPULATIONS N |
| (AT) ACID OR TOXIC MATERIALS NA | (OD) OFF-SITE DAMAGE <u>N</u> | |

Y = Inspected / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

Several of the following inspection topics were identified as having a Problem (PB), which includes correction actions and a deadline whereby the Operator must demonstrate compliance with the conditions of the Permit and the requirements of the Act and Rules. Failure to address the corrective actions by the deadline may cause the Division to escalate the Problem to a Possible Violation (PV) and schedule the issue for formal hearing before the Mined Land Reclamation Board (Board).

INSPECTION TOPIC: Signs & Markers

PROBLEM/POSSIBLE VIOLATION: Problem: The mine identification sign posted at the entrance of the mine site has the wrong Operator listed. This is a problem for failure to post an accurate mine identification sign as required by Section 3.1.12(1) of the rule.

CORRECTIVE ACTIONS: The operator shall, at the entrance of the mine site, post a sign which shall be clearly visible from the access road with the following: the name of the operator, a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and the permit number. The operator shall submit photo documentation that a proper sign has been posted by the corrective action date.

CORRECTIVE ACTION DUE DATE: 8/26/19

OBSERVATIONS

This inspection was conducted as part of the Colorado Division of Reclamation, Mining and Safety normal monitoring program. The Lyster Pit is a 112c permitted site that includes a total of 60 acres. It is located approximately 2.5 miles southeast of Craig, CO and is accessed from Moffat County Road 394. Jason Burkey represented Oldcastle SW Group, Inc. dba United Companies and accompanied Amy Yeldell of the Division on the inspection.

The mine identification sign and affected area boundary markers are in place. The mine sign still reads Connell Resources, Inc. as the Operator even though the Succession of Operator (SO-2) was approved in July of 2017. United has had ample time to update the sign. This is cited as an inspection problem. Please update/replace the sign by the corrective action due date listed on page 2 of this inspection report.

The site appears to be unchanged since the past inspection report. Based on discussions with the operator the Division recommends they file for Temporary Cessation. Active status requires mining annually more than 180 days which this operation does not do. Intermittent status requires that a site be active annually however does not operate more than 180 days a year. If the mine ceases production for more than a year it shall go into temporary cessation. Mining activities include not only excavation but the moving of stockpiled materials as well. Attached is the request form for Temporary Cessation. If the Operator feels Intermittent Status is more representative of their activity level this will require at Technical Revision to the Mining Plan to allow for intermittent Operations.

Several large stockpiles of processed material remain on site. No processing or excavation equipment is on site. The scale and scale house remain. No fuel is stored on site. Little to no weeds were observed onsite. Topsoil and overburden berms remain in place and stable. Due to the extremely wet spring portions of the pit were inundated several feet above typical spring/summer conditions. Mr. Burkey indicated that one of the hydrology

PERMIT #: M-2008-009 INSPECTOR'S INITIALS: ACY INSPECTION DATE: June 12, 2019

wells was underwater and unable to be sampled upon their last attempt.

The Division currently holds a financial warranty amount of \$152,060 for this site. The bond was last reviewed in 2015 with SI-1. In an effort to ensure the Financial Warranty adequately, reflects the actual current cost of fulfilling the requirements of the approved reclamation plan the Division will be updating the reclamation cost estimate. You will be notified if the current bond is found insufficient. A copy of the staff calculations will be sent under separate cover.

Responses to this inspection report should be directed to: Amy Yeldell at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 970-254-8511 or via email at amy.yeldell@ state.co.us

Inspection Contact Address

Jason Burkey Oldcastle SW Group, Inc. dba United Companies 2273 River Road Grand Junction, CO 81505

Enclosure

CC:

Travis Marshall, DRMS

PHOTOGRAPHS







