



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: South Pit	MINE/PROSPECTING ID#: M-1994-114	MINERAL: Gravel	COUNTY: Custer
INSPECTION TYPE: Monitoring	INSPECTOR(S): Timothy Cazier	INSP. DATE: June 18, 2019	INSP. TIME: 15:25
OPERATOR: Kagan & Son, L.L.C.	OPERATOR REPRESENTATIVE: Andy & Becky Kagan	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Partial Bond	BOND AMOUNT: \$36,250.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Cloudy	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: October 30, 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.

(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---- <u>Y</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>Y</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>Y</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 inspection was conducted by Tim Cazier (DRMS) as part of the regular monitoring program. The Permittee (Kagan & Son, LLC) was represented by Andy and Becky Kagan during the inspection. The South Pit is located approximately 12 miles southeast of Westcliffe, 0.5 mile east of Hwy 69 on Centennial Ranch Rd/CR 305. This is a 112c gravel mine. It was not operating at the time of the inspection.

Availability of Records: Annual fees are paid through October 2019. The previous inspection was on February 19, 2015. The approved post-mine land use is residential (as approved in the 2014 conversion to a 112c operation). There are no open infractions. Both the surface is privately owned. The mineral ownership is split between private and federal (managed by the BLM).

Backfilling and Grading: Sufficient backfill material appeared to be available as the plan is to push down material (as planned) to achieve the required 3H:1V reclamation slopes and sufficient buffer area is marked (see **Photo 1**).

Excess Spoil and Dev. Waste: The observed overburden piles appeared stable.

Financial Warranty: The \$36,250 bond held by the Division is adequate for the observed mine disturbance. Also noted is this is a phased bonding operation.

Fish and Wildlife: No impact to wildlife was observed.

Hydrologic Balance: No standing water was observed in the pit and no exposed groundwater was observed.

Gen. Compliance with Mine Plan: The operation appeared to be in compliance with the approved mine plan. The maximum allowed disturbed area is 10 acres. Google Earth was used to measure the disturbed area, which was estimated to be approximately 8.7 acres, based on 2017 imagery. Highwalls were estimated to be 10 feet in height and appeared stable.

Off-site Damage: The operation appeared to be confined to the permit boundary, based on Google Earth review and site observations.

Processing Waste: No processing waste was observed.

Roads: Haul and access roads did not appear to be a source of sediment that could be tracked offsite. Road side ditches were clean.

Reclamation Success: No reclamation has been initiated.

Revegetation: No revegetation had been initiated at the time of the inspection. No noxious weeds were observed.

Sediment Control: No erosion problems were observed and no BMPs were needed at the time of the inspection.

Support Facilities On-site: A loader was observed on site (see **Photo 2**) near the product stockpile.

Signs and Markers: The permit sign was properly posted (see **Photo 3**) and boundary markers were observed

to delineate the affected area boundary (see **Photos 4** and **5**).

Permit Stipulations: There is one permit stipulation: Operator will not stockpile topsoil on the downstream of the pit area.

Storm Water MGT Plan: No oil or fuel spills observed. Stormwater drains to the pit and infiltrates.

Topsoil: Topsoil had been stripped ahead of mining (see **Photo 6**) and stockpiled on the edge of the pit (see **Photo 7**).

Structures: Custer County Road 305 is within 200 feet of the permit boundary. The affected area boundary was observed to be nearing the 200 feet limit. A file review confirms the DRMS has signed structure damage compensation agreements with the County, as well as for the Tuff Shed and fence owned by Mr. Douglas Frederickson.

Please contact Tim Cazier (303)866-3567 ext. 8169 or email at tim.cazier@state.co.us if you have any questions regarding this report.

PHOTOGRAPHS

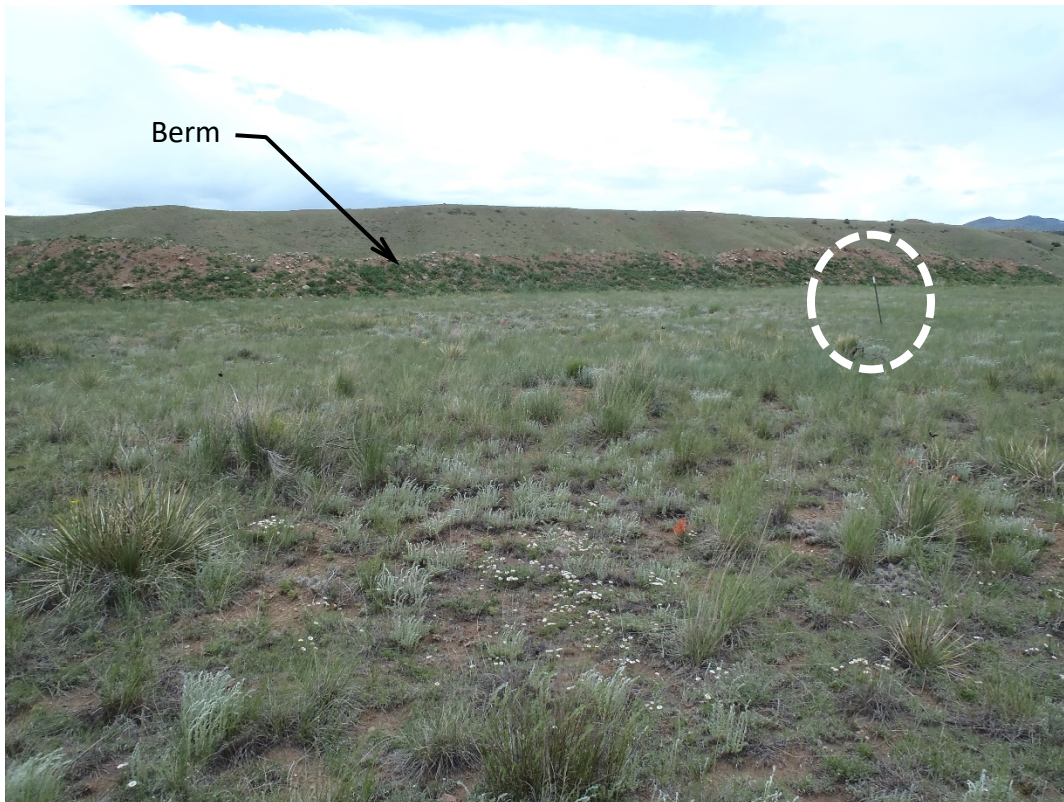


Photo 1. Current buffer area between marker and working slope denoted by short berm (looking NE).

PHOTOGRAPHS (cont.)



Photo 2. Loader and product stockpile on pit floor (looking NW).



Photo 3. Permit sign (at entrance).

PHOTOGRAPHS (cont.)



Photo 4. Boundary marker on west side of active pit (looking south).



Photo 5. Boundary marker SW corner of active pit (looking NE).

PHOTOGRAPHS (cont.)



Photo 6. Stripped topsoil on right (south of pit, looking north).



Photo 7. Topsoil stockpile (south side, looking east).

Inspection Contact Address

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ec: DRMS File
Stephanie Carter, BLM