

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:		
Pikeview Quarry	M-1977-211	Limestone (general), granite, granite gneiss and dolomite	El Paso		
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:		
Preoperation Inspection	Timothy Cazier	December 5, 2019	12:00		
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:			
Continental Materials Corporation	Jerry Schnabel	112c - Construction Regular Operation			
DELICAN FOR INCREGRANT POND OF CALCAL ARRON WARE					
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:			
Preoperation Inspection	None	\$15,000,000.00			
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:			
NA	None	None			
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DAT	E:		
Cloudy	Thing al	February 3, 2020			

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

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 a pre-operation inspection required for the amendment (AM-04) application. Mr. Zach Trujillo was also present representing the DRMS. The Permittee was represented by Mr. Jerry Schnabel during the inspection. Messrs. Paul Kos and Bruce Humphries (consultants) and Mr. Jeff Hovermale (USFS) were also in attendance. The Pikeview Quarry is accessed from near the intersection of Centennial Blvd. and Vindicator Dr. north of Colorado Springs. The quarry was receiving backfill material at the time of the inspection. This is a 112c aggregate mine. Subsequent to this inspection, the DRMS performed an aerial photo inspection of the Pikeview Quarry on January 24, 2020. The cloud ceiling was low and the area to the north was experiencing intermittent rain and snow. However, the full height of the highwall was visible at the time of the inspection. Finer and compacted soils on site appeared moist.

<u>Availability of Records:</u> Annual fees are paid through May 2019. The previous inspection was on January 8, 2019. The approved post-mine land use is wildlife habitat. There were no open infractions prior to the inspection. Surface and mineral ownership are privately owned in the lower area and managed by the Federal Government on the USFS land in the upper/west area.

<u>Backfilling and Grading:</u> The primary goal for the site is reclamation and stabilizing the slide area in the process. Pike view imports backfill from primarily four different offsite construction projects. Several haul trucks were observed brining in backfill material. The area at the toe of the highwall, referred to as Area H has nearly been backfilled to the level of the limestone bench (see **Photo 1**).

<u>Financial Warranty:</u> The DRMS holds a \$15,000,000 bond. The amendment currently under review (AM-04) by the DRMS seeks to revise the reclamation plan, which will affect the required financial warranty. As such, the bond will be adjusted as part of the review process.

<u>Fish and Wildlife:</u> No impact to wildlife was observed. Bighorn sheep are frequently observed grazing on the reclaimed benches in the southern end of the mine.

<u>Hydrologic Balance:</u> No standing water or exposed groundwater was observed. No seeps were observed from the slide area.

<u>Gen. Compliance with Mine Plan:</u> The operation was deemed to be in compliance with the approved mine plan. The maximum allowed disturbed area is the permit area consisting of 240.5 acres. Google Earth was used to measure the disturbed area, which was estimated to be approximately 127 acres, based on 2017 imagery. The DRMS notes some of this disturbed area has been revegetated, but not yet requested for release. Highwalls outside the slide area are benched and estimated to be 30 feet in height (see **Photo 2**). The primary focus at the site is final reclamation. However, there were stockpiles of product observed.

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

<u>Processing Waste:</u> No processing waste was observed.

<u>Roads:</u> The haul roads were wet from the weather. Haul and access roads did not appear to be a source of sediment that could be tracked offsite. Road side ditches were clean.

<u>Reclamation Success:</u> The majority of the reclamation required involves backfilling for highwall stabilization which was actively being performed during the inspection. A significant portion of Area H had been backfilled since the January 2019 inspection.

<u>Revegetation:</u> Some areas have been revegetated, such as much of the Horseshoe area in the south and intermittent smaller areas such as below the central haul road the (see **Photo 3**). No noxious weeds were

observed. Site representatives stated they have implemented a noxious weed control program. The DRMS will make sure the weed control plan is formalized in AM-04 during the review process.

<u>Sediment Control</u>: Significant erosion rilling was observed below the haul road immediately above sediment control Pond No. 2 (see **Photo 4**). No BMPs were needed at the time of the inspection as this area contributes directly to the sediment pond.

<u>Support Facilities On-site:</u> A crushing and screening plant was observed on site (see **Photo 5**).

<u>Signs and Markers:</u> The permit sign was properly posted (see **Photo 6**) as was the notice required for the amendment under review (see **Photo 7**).

Storm Water MGT Plan: Site representatives stated there are four detention basins on site. Each one was visited. The lowest/eastern-most pond (No. 4) is well vegetated and full of mature trees (see **Photo 8**), but does not appear to have received new sediment in many years, despite having a steady low flow of water running through it to the riser pipes (see **Photo 9**). Pond No. 3 (see **Photo 3**) and No. 2 (see **Photo 4**) could use some maintenance to remove the large amount of sediment observed. Representatives stated an electronic copy of the stormwater management plan is kept in site trailer. No oil or fuel spills observed.

<u>Aerial Inspection</u>: Images taken from the January 24, 2020 flight over the quarry show the new proposed borrow area (see **Photo 10**), current grading work at the crest (see **Photo 11**), and the extent of the nearly completed backfill of Area H (see **Photo 12**).

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. Mostly backfilled Area H (looking west).



Photo 2. Benched highwalls above Area H (looking NW).



Photo 3. Revegetated area below central haul road (upper left) & Pond No. 3 (needing maintenance).



Photo 4. Rilling above sediment control Pond No. 2 (looking west).



Photo 5. Crushing/screening plant and product stockpile (looking NE from Area H).



Photo 6. Permit sign at entrance.



Photo 7. Required amendment notice sign at entrance.



Photo 8. Mature trees and established vegetation in Pond No. 4 (looking north, note riser pipes).



Photo 9. Riser pipes in Pond No. 4 (east side).



Photo 10. New borrow area (1/24/2020 aerial photo, looking SSW).

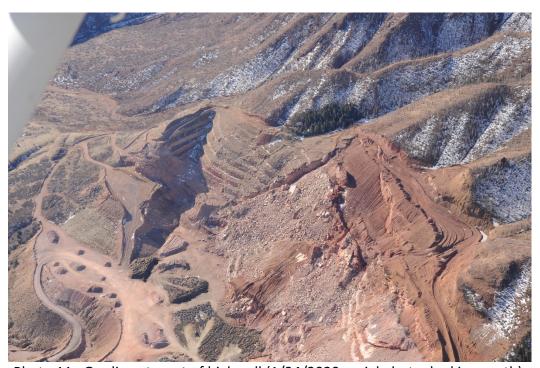


Photo 11. Grading at crest of highwall (1/24/2020 aerial photo, looking south).



Photo 12. Extent of Area H backfill (1/24/2020 aerial photo, looking south).

Inspection Contact Address

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ec: DRMS file
Jeff Hovermale, USFS
Paul Kos, Stantec
Bruce Humphries, RPM