




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: Pueblo East Pit	MINE/PROSPECTING ID#: M-1986-015	MINERAL: Sand and gravel	COUNTY: Pueblo
INSPECTION TYPE: Preoperation Inspection	INSPECTOR(S): Patrick Lennberg	INSP. DATE: March 4, 2021	INSP. TIME: 10:30
OPERATOR: Continental Materials Corporation	OPERATOR REPRESENTATIVE: Jerry Schnabel, Dan Tucker	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Preoperation Inspection	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$2,288,004.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Cloudy	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: March 19, 2021	

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>N</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>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</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>N</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(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

OBSERVATIONS

The Pueblo East Pit was inspected by Patrick Lennberg with the Division of Reclamation, Mining and Safety (Division/DRMS). The pre-operation inspection was completed in response to an amendment application (AM-05) received by the Division on October 15, 2020. The site was previously inspected by the Division on October 17, 2019 during the Division's routine monitoring inspection program. Jerald Schnabel, Castle Aggregates, and Dan Tucker, CWPDA, accompanied me during the inspection. The weather was cloudy and windy.

The Pueblo East Pit is located approximately 7 miles east of Pueblo, CO. The access road is the intersection of US Hwy 50 and 26th Lane. Pueblo East Pit is a Construction Materials 112c Operation for 466.16 acres and is approved to affect 268 acres. The affected lands are proposed to be reclaimed to a combination of developed water resources, and wildlife habitat.

The mine was not active at the time of the inspection. Mining at the site has not occurred for several years. Castle Aggregates, Operator, has applied for an amendment (AM-05) to change the reclamation plan for Phase 1 from wildlife to developed water resources. In addition the reclamation plan for Phases 2 and 7 are being clarified. It is the intent of the Operator to SO the permit in the near future to CWPDA so they may begin to manage the developed water resources ponds and complete reclamation at the site.

During the inspection it was noted that the processing plant and various conveyor belts observed during the last inspection have been removed from the site. While observing the outfall for Phase 7 it was discussed that the exposed groundwater in the phase no longer has lagged depletions and is covered by the current SWSP and no longer requires to be pumped down. The Division requested additional documentation and explanation of this in its third adequacy review letter. Also, the current and future augmentation of Phase 1 was requested to be clarified.

No other issues were noted during the inspection and no objections have been received by DRMS during the public comment period that ended on December 28, 2020.

The financial warranty was calculated during the Division's third adequacy review letter and it was determined that the applicant's recommended bond amount of \$3,758,100.00 will be sufficient.

Photographs taken during the inspection are attached.

Please contact Patrick Lennberg (303)866-3567 ext. 8114 or email at patrick.lennberg@state.co.us if you have any questions regarding this report.

Inspection Contact Address

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PHOTOGRAPHS



Photo 1: Former location of processing plant



Photo 2: Quonset Hut to remain after reclamation is complete



Photo 3: Phase 7 pond area where the pump island used to be



Photo 4: Native vegetation becoming established south of the Phase 7 access road



Photo 5: Vegetation conditions north of the Phase 7 access road requiring topsoil and seeding



Photo 6: Phase 2 bank area requiring regrading and seeding