

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:
Goldman Gravel Pit	M-1978-279	Gravel	Garfield
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring	Amy Yeldell	March 22, 2021	10:30
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Flag Resources Inc	Eric Frei	110c - Construction Limited Impact	
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program	Complete Bond	\$20,408.00	
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:	
NA	DRMS	None	
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:	
Clear	Amy Geldell	March 29, 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>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 NA	(SF) PROCESSING FACILITIES <u>NA</u>	(TS) TOPSOIL <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE \underline{Y}	(RV) REVEGETATION <u>NA</u>
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN N	(RS) RECL PLAN/COMP <u>NA</u>
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION $\underline{\mathbf{Y}}$	(ST) STIPULATIONS <u>Y</u>
(AT) ACID OR TOXIC MATERIALS NA	(OD) OFF-SITE DAMAGE <u>NA</u>	

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

OBSERVATIONS

This inspection was conducted as part of the Colorado Division of Reclamation, Mining and Safety normal monitoring program. The Goldman Gravel Pit is a 110c sand and gravel pit that consists of a total of 8.5 acres. It is located in Garfield County approximately three miles southeast of Silt Colorado and is accessed from CR 335. Eric Frei represented the operator and accompanied Amy Yeldell of the Division on the inspection.

The mine identification sign and affected area boundary markers are in place and in compliance with Rule 3.1.12. The sign is located at the entrance to the permit boundary.

The adjacent gas pad is scheduled to be reduced in size this spring which will allow the pit more working room. Mining is anticipated to resume in April 2021. Exposed pit run will be pushed down the slope to be processed on site. After pad reconstruction finalizes there will be enough room to strip overburden and access new material. The existing highwall conditions have not changed since the previous inspection. The slope is mostly graded to a 3:1 with some interstitial benches. The main pit floor to the top of the cut is approximately 70 ft. Slopes appear to be stable with minimal erosion. The slope that daylights to the north will be the last area mined to retain the visual berm as long as possible.

Several smaller stockpiles of processed material are located on the main bottom pad area. A dozer is on site, no other equipment, structures or fuel is present at this time.

Vegetation was dormant at the time of the inspection. Staff was unable to determine if weeds are present or evaluate reclaimed areas.

The Division currently holds a financial warranty amount of \$20,408 for this site. The last surety increase occurred in 2017. 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. If the current bond is found to be insufficient the Division will send a Notice of Surety Increase under a separate cover.

No problems or violations were noted during this inspection.

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 303-866-3567 Ext 8183 or via email at amy.yeldell@state.co.us



Photo Two: Middle bench, overburden stripped





Inspection Contact Address

Eric Frei Flag Resources Inc 1412 CR 311 New Castle, CO 81641

Enclosure

EC: Travis Marshall, Senior EPS, GJFO DRMS