




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: Shangri La Pit	MINE/PROSPECTING ID#: M-1989-024	MINERAL: Gravel	COUNTY: Custer
INSPECTION TYPE: Monitoring	WEATHER: Cloudy	INSP. DATE: May 10, 2023	INSP. TIME: 13:30
OPERATOR: Edward M. Yaklich	OPERATOR REPRESENTATIVE: Joanie Yaklich	TYPE OF OPERATION: 110c - Construction Limited Impact	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$5,000.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Eric Scott	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: May 11, 2023	

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>NA</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>NA</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>NA</u>	(SF) PROCESSING FACILITIES----- <u>NA</u>	(TS) TOPSOIL----- <u>NA</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>NA</u>	(FW) FISH & WILDLIFE----- <u>NA</u>	(RV) REVEGETATION---- <u>NA</u>
(SM) SIGNS AND MARKERS----- <u>NA</u>	(SP) STORM WATER MGT PLAN---- <u>NA</u>	(RS) RECL PLAN/COMP-- <u>NA</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>NA</u>	(SC) EROSION/SEDIMENTATION--- <u>NA</u>	(ST) STIPULATIONS----- <u>NA</u>
(AT) ACID OR TOXIC MATERIALS----- <u>NA</u>	(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 Division's regular permit monitoring program. The Permittee (Ed Yaklich) was represented by Joanie Yaklich who met with Division representative Eric Scott at the subject property. The Shangri La Pit site is accessed on the east side of Custer County Road 129 approximately 1.2 miles south of County Road 160. The site has been permitted for a 9.9 acre 110 construction materials operation.

Although this permit was issued in 1989, no mining activity has ever been initiated at this site. Annual Fees are current. As there is no mining disturbance to-date, the existing \$5000 bond is sufficient. However, the permittee should note that if mining activity were to proceed, this bond would need to be re-evaluated and would increase significantly. The currently approved post-mining land use is wildlife habitat with an unlined pond.

The permittee should also note that the existing permit is now over 30 years old and has not been modified in any way. Should they wish to proceed with mining activity at this site, it would likely require significant effort and expense to update the required permitting. Modifications to the mining and reclamation plans would likely be required, and additional permitting will be required from the State Engineer's office in order to expose groundwater in the form of a well permit and a Substitute Water Supply Plan (SWSP). If the operation were to expose groundwater (which is likely at a depth of approximately 10' below ground surface) the Division would also be required to increase the bond to cover installation of a liner of some kind to eliminate evaporative losses to the alluvial aquifer until a permanent augmentation plan for any groundwater exposure is approved through Water Court.

If the permittee wishes to release the permit at this time, this inspection may serve as the required release inspection if the release request is received within 30 days. A copy of the release form will be attached to this report. If you have any questions please contact Eric Scott at 303-229-9414, or at eric.scott@state.co.us.

Inspection Contact Address

Joanie Yaklich
Edward M. Yaklich
1129 Pine Ave.
San Jose, CA 95125

Enclosure – Release Request Form



COLORADO

**Division of Reclamation,
Mining and Safety**

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

REQUEST FOR FULL OR PARTIAL RELEASE OF PERMIT AREA/SURETY REDUCTION

Please indicate if you are requesting:

FULL/FINAL RELEASE OF ENTIRE PERMITTED AREA (per Rule 4.17)

ACREAGE REDUCTION (PARTIAL RELEASE per Rule 4.17)

I wish to release _____ acres at this time.

You will need to submit with this request: a map showing the acreage to be released from the current permit and updated mining and reclamation plan maps that will accurately depict the new permit boundary if the release is approved.

SURETY (Bond) REDUCTION (per Rule 4.14)

If you are requesting a surety (bond) reduction you will need to include with this request a new estimate of the actual cost to reclaim the site based on what it would cost an independent contractor to complete reclamation, including unit costs for reclamation activities as appropriate to the operation to comply with the provisions of Rule 3.1 and the Permit's approved Reclamation Plan.

File No.: M _____

Site Name: _____

County: _____

Permittee: _____

Permittee Address: _____
(Street Address)

(City)

(State)

(Zip)



Operator (If Other than Permittee): _____

Permittee Representative: _____

Certified Mail # _____

In accordance with Rule 4.17.1(2) the Operator shall include the names, addresses and phone numbers of all owners of record to the affected land. Please attach additional sheets for this information if required.

<u>Name</u>	<u>Address</u>	<u>Phone Number</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

In accordance with Rule 4.17.1(4), if requesting a partial acreage release the Operator or their agent MUST sign that they have complied with the following statement: “All applicable portions of the Reclamation Plan requirements have been satisfied in accordance with these Rules and all applicable requirements under the Act.”

Signature of Permittee, Operator or their authorized agent Date

Important: In accordance with Rules 4.14.2(a) and 4.17.1(3) This release request must be submitted to the Division via certified mail and separate from any other correspondence to the Division.