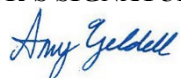




MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

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: Upland Gravel Pit No. 3	MINE/PROSPECTING ID#: M-2005-077	MINERAL: Sand and gravel	COUNTY: Mesa
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: July 5, 2023	INSP. TIME: 12:30
OPERATOR: Upland Gravel, LLC	OPERATOR REPRESENTATIVE: Jason Rinderle	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE:	BOND AMOUNT: \$57,785.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: DRMS	JOINT INSP. AGENCY: U.S.BLM	
INSPECTOR(S): Amy Yeldell	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: July 17, 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>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</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

This inspection was conducted as part of the Colorado Division of Reclamation, Mining and Safety's (Division) normal monitoring program. The Upland Gravel Pit No. 3 is a 112c permit that consists of 134.6 acres located on public lands. The site is located in Mesa County four miles south of Clifton, Colorado. Amy Yeldell of the Division conducted the inspection. Brittany Cocina and Bill Boss represented the BLM. Jason Rinderle represented Upland Gravel, LLC, the Operator.

Availability Of Records:

The 2023 Annual Report, Map and Fee were submitted on the anniversary due date July 7-5-2023. This compliance requirement has been satisfied and the permit is in good standing. The Division would like to applaud the Operator in providing a useful and accurate site map.

Acid And Toxic Materials:

All fuel is stored within secondary containment. The primary fuel storage is located in Phase 1 (Photo One). No other hazardous or toxic materials were observed on site.

Backfilling and Grading:

All grading is complete in Phase 3. Slopes have been graded to a 3H: 1V or less and are stable.

Phase 1, 2 and 4 are generally mined out with a flat pit floor remaining. The northwest highwall of Phase 1 and 2 adjacent to phase 9 is near vertical and 15 feet high by approximately 500 linear feet. Slope may be cut/fill. Overburden is stored above the highwall along Phase 9 (Photo Two). All other overburden is stored on the pit floor on the south side of Phase 2. The Northeast sloped of phase 1 and 2 are generally slopes at a 3H: 1V with only minor grading left to achieve final contour and smooth out adjacent stockpiles (Photo Three). The north edge of phase 1 near the road will need to be pulled back to blend naturally, approximately 300 LF at a 1H: 1V, 15 feet high.

Phase 4 is completely stripped with approximately 0.8 acres left of mineable materials in Block 8 (Photos Four and Five). 1300 linear feet of slopes are all near vertical. Slopes are adjacent to a future mining phase and can be cut/fill.

Explosives:

Explosives are not used at this site.

Financial Warranty:

The Division currently requires a financial warranty amount of \$57,785.00 for this site. The bond has not been recalculated since permit issuance in 2006. 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.

Hydrologic Balance:

This pit is 'high and dry'. There is no exposed groundwater through mining. Nor were any seeps, springs, creeks, etc. observed.

Gen. Compliance With Mine Plan:

This site was inactive at the time of the inspection. The Operator indicated that they have been selling out of the

large processed stockpiles and that once those are depleted they will mobilize equipment and process (mine) more. Overall this site is permitted for 44.6 acres of affected lands with a maximum disturbance of 10 acres. Approximately 12.5 acres of unreclaimed lands are affected (Blocks 1, 2, 3, 4, 7, and 8) (Photos Six and Seven). Blocks 5 and 6 are completely reclaimed and do not count against the maximum disturbance. If the operator wishes to affect more land without completing additional reclamation they should first revise the Mining and Reclamation plans to increase the maximum disturbances. This can be done in the form of a technical revision.

Mining is in Block 8 with a highwall working its way to the east. Blocks 15 and 16 have not yet been fenced. Future mining blocks 9, 10 and 11 are fenced and will be mined next.

Generally mining is approximately 15 feet deep. Topsoil is approximately 1 foot and overburden is 5 feet thick. Several stockpiles are neatly stored throughout the pit floor. They all appear to be stable. No washing of material, only crushing and screening operations.

Reclamation Success:

This site has a post mine land use of rangeland. Phase 3 blocks 5 and 6 were mentioned by the operator as having been previously released. There are no release revisions for this permit to date. However Phase 3, Blocks 5 and 6 have been successfully reclaimed (Photos Eight and Nine). This area consists of mostly saltbush. Overall cover of the reclaimed areas is significantly higher than that of the adjacent unaffected lands. No weeds were observed in this area.

Based on this inspection the Division has determined that the Operator has successfully complied with the requirements of the Act, Rules and Regulations, and the approved Reclamation Plan, and that a portion of the permit area is ready to be released from any further reclamation responsibility. If the Operator submits an acreage release request within 60 days this inspection will count as the acreage release inspection. Note that a separate release request will also need to be requested from BLM.

Revegetation:

The northeast slope of blocks 2 and 3 have also been reclaimed. They were not evaluated for release as they are apart of a larger area which is still currently being used. The operator is encouraged to diligently manage these areas to ensure continued reclamation success and avoid deterioration.

Some noxious weeds, primarily Halogeton were observed throughout the pit floor. This is cited as an inspection problem pursuant to Rule 3.1.10(6). Please develop a weed control plan and submit it in the form of a Technical Revision by the corrective action due date.

Subsidence:

No subsidence was observed.

Sediment Control:

Overall the site appeared to be stable with no visible signs of sedimentation or erosion.

Support Facilities On-site:

Phase 1 is the operations area for the mine. This includes the primary fuel storage, two water tanks and crusher. No loaders or excavators were on site. Two rig sheds (equipment sheds) are also stored on site within phase 2. No other equipment, buildings, or other mining related features were on site.

The scale and office building are located outside of the permit boundary as you enter the mine from private property.

Signs and Markers:

A mine sign was posted at the entrance to the mine site as required by Rule 3.1.12(1). The permit boundary of the affected land was clearly delineated pursuant to Rule 3.1.12(2). All currently affected lands are fenced in. Blocks 9, 10 and 11 are fenced in. The Operators practice is to fence in the next future phase or two. Otherwise the permit boundary is delineated by t-posts and wood stakes.

Topsoil:

Topsoil is stored in the northeast corner of block 5 and is completely revegetated. Additional topsoil is stockpiled in the east side of Blocks 2 and 3.

Responses to this inspection report should be directed to: Amy Yeldell at the Division of Reclamation, Mining and Safety, Rm 215, 1001 E 62nd Ave, Denver Co 80216. Direct contact can be made by phone at 303-866-3567 Ext 8183 or via email at amy.yeldell@state.co.us

Inspection Contact Address

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Enclosure

EC:

Travis Marshall, Senior EPS, Grand Junction DRMS
Britany Cocina, BLM

PHOTOGRAPHS



Photo 1: Fuel stored in secondary containment within Phase 1



Photo 2: Phase one overview, NW highwall





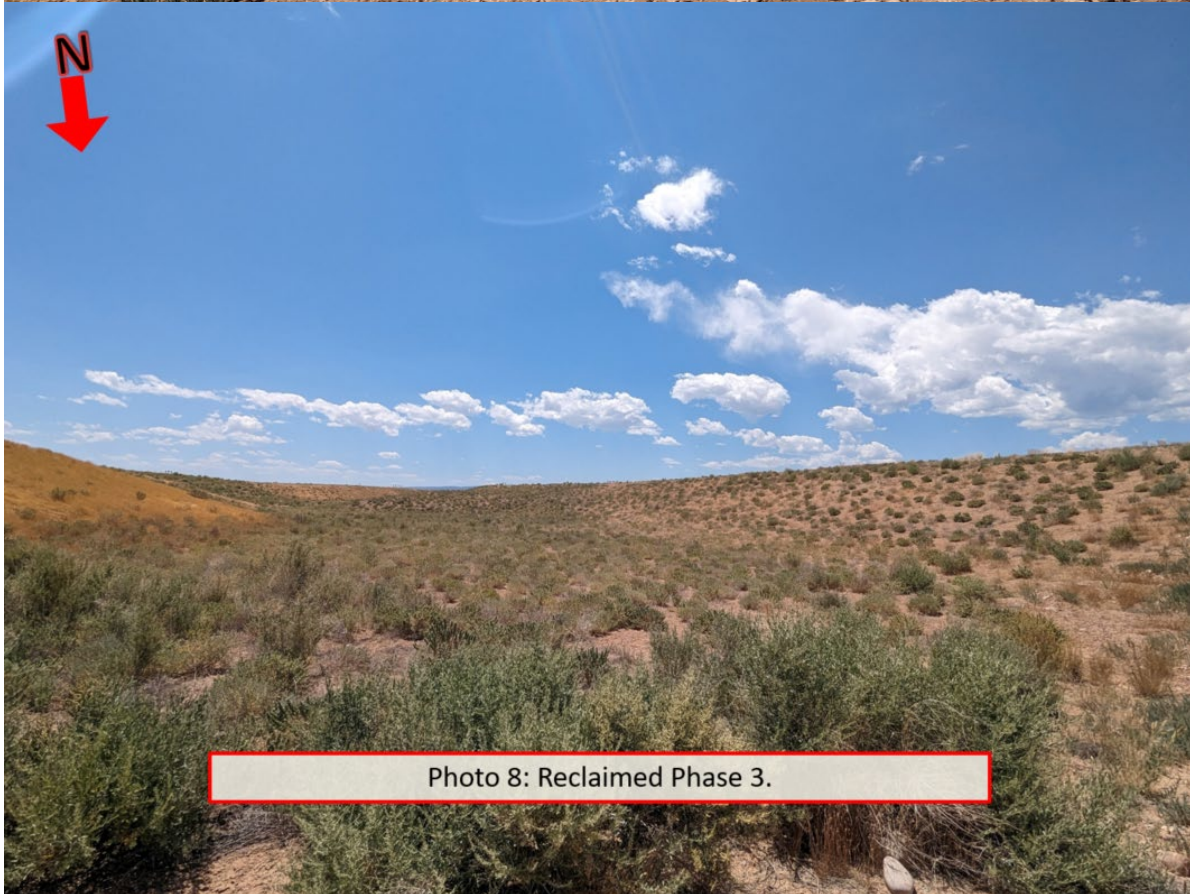




Photo 9: Reclaimed Phase 3.