

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:
Nichols Gravel Pit	M-1981-013	Sand and gravel	Mesa
INSPECTION TYPE:	WEATHER:	INSP. DATE:	INSP. TIME:
Monitoring	Clear	October 25, 2023	11:00
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Nichols Gravel Pit, L.L.P.	None	112c - Construction Regular Operation	
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program	Complete Bond	\$115,474.00	
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGEN	CY:
NA	DRMS	None	
INSPECTOR(S):	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:	
Amy Yeldell	Amy Geldell	November 13, 2023	
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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>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 Y	(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>N</u>	(ST) STIPULATIONS <u>N</u>
(AT) ACID OR TOXIC MATERIALS <u>Y</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 Colorado Division of Reclamation, Mining and Safety (Division) normal monitoring program. The Nichols Gravel Pit is a 112c permitted site that includes a total of 67.5 acres. This site is located two miles northeast of Mesa, CO and is accessed from State Highway 330. No representative from Nichols Gravel Pit, L.L.P. was present for the inspection but the Division was in contact with them prior to the inspection. Amy Yeldell of the Division conducted the inspection.

Acid And Toxic Materials:

A small fuel tank is located on site and is in secondary containment (Photo One).

Backfilling and Grading:

The pit consists of two main levels. Each level is approximately 20-30' deep. All slopes are well within the permit area and can be dozed down. The internal highwalls are approximately 1H: 1V to near vertical in some areas. There are several random stockpiles and cuts on the banks above the pit that will need general contouring (Photos 2-7).

Explosives:

Explosives are not used in conjunction with this mining operation.

Financial Warranty:

The Division currently requires a financial warranty amount of \$115,474.00 for this site. The bond was last recalculated with SI-4 in 2018. 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:

No exposed groundwater was observed.

Gen. Compliance With Mine Plan:

The site was inactive at the time of the inspection. The last crushing activities recently concluded; the pit was active over the summer. The pit has stayed within the existing footprint. Approximately 26 acres has been affected to date based on satellite imagery and the 2023 annual report. The internal highwall is working towards the east and the operation is mining out the internal bench. Located throughout the pit floor are several stockpiled of process materials.

Off-site Damage:

No off site damages were observed. All mining related disturbances are located within the affected lands boundary.

Right of Entry:

Division staff verified that John Nichols remains the landowner of all affected lands and the operation therefore is in compliance with Rule 6.3.7 by maintaining its Legal Right of Entry.

Reclamation Success:

No areas were evaluated for final reclamation success.

Revegetation:

The surrounding areas the pit are irrigated pasture and native rangelands. The areas surrounding the pit have a fair amount of cheatgrass. It is unclear if this is due to disturbance or a pasture going fallow. Regardless the operator is encouraged to minimize cheatgrass and other noxious species surrounding the affected lands where practical. While the pit may not be the source of weeds, having nearby sources unmanaged will likely negatively impact the affected lands. Extra diligence on topsoil stockpiles is recommended.

Much of the pit floor and highwalls have volunteer vegetation from areas remaining idle (Photo 6 and 7). The Operator is encouraged to interim reclaim areas where possible.

Support Facilities On-site:

A small office and in ground scale remain in place near the lower pit entrance (Photo 8). A small shed and some misc. equipment is also stored on site in the northwest corner of the pit. There is no processing equipment located on site. It is mobilized to the site on an as needed basis.

Signs and Markers:

A mine sign was posted at the entrance to the mine site as required by Rule 3.1.12(1). The information depicted was correct/ up to date and the sign was of sufficient size. The permit boundary of the affected land was clearly delineated primarily by a wire fence pursuant to Rule 3.1.12(2).

Topsoil:

Topsoil remains on the south side of the pit. No additional soil has been stripped since the last inspection.

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, 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

John Nichols Nichols Gravel Pit, L.L.P. P.O. Box 285 Mesa, CO 81643

Enclosure: Proposed SI-5

EC: Travis Marshall, Senior EPS, Grand Junction DRMS

PERMIT #: M-1981-013 INSPECTOR'S INITIALS: ACY INSPECTION DATE: October 25, 2023

PHOTOGRAPHS







