




**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.

<b>MINE NAME:</b> Peroulis Brothers Snake River Pit	<b>MINE/PROSPECTING ID#:</b> M-2009-079	<b>MINERAL:</b> Gravel and sand	<b>COUNTY:</b> Moffat
<b>INSPECTION TYPE:</b> Surety Release Inspection	<b>WEATHER:</b> Clear	<b>INSP. DATE:</b> August 21, 2024	<b>INSP. TIME:</b> 11:30
<b>OPERATOR:</b> Precision Excavating, Inc.	<b>OPERATOR REPRESENTATIVE:</b> David Zehner	<b>TYPE OF OPERATION:</b> 112c - Construction Regular Operation	
<b>REASON FOR INSPECTION:</b> Surety Release Requested	<b>BOND CALCULATION TYPE:</b>	<b>BOND AMOUNT:</b> \$199,600.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None	
<b>INSPECTOR(S):</b> Hunter Ridley	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> August 28, 2024	

**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>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>N</u>	(FW) FISH & WILDLIFE----- <u>Y</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>Y</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 Peroulis Brothers Snake River Pit was inspected by Hunter Ridley with the Division of Reclamation, Mining and Safety (Division) in response to Surety Release Request 2 (SL2) submitted to the Division on December 18, 2023. The required notices were sent out on December 21, 2023. A weather delay notice was sent to the Operator on February 13, 2024. To-date, no objections to the release have been received. Peroulis Brothers Snake River Pit is 112c site permitted for 101 acres. David Zehner with Precision Excavating, Inc. was present during the inspection. The site was previously inspected by the Division on April 20, 2022. The approved post mining land use at the site is rangeland.

**Availability of Records:** Annual reports are current, having been filed through December 2023. There are no open infractions related to previous inspections.

**Acid And Toxic Materials:** No acid or toxic materials are involved in this operation.

**Backfilling and Grading:** Site grading has been complete since the Division's last inspection in 2022. Regraded areas slope to the east as per the approved plan and blends into the natural grade of the surrounding area.

**Financial Warranty:** The Division currently holds a financial warranty amount of \$199,600.00 for this site. The required bond amount was reduced to \$11,608.00 in 2022 with the approval of Surety Reduction 2 (SR-2). The bond is thus in excess by \$187,992.00. Based on observations from this inspection, the Division has found the current bond to be **adequate** for the minimal reclamation still required of the site.

**Fish and Wildlife:** No impact to wildlife was observed.

**Hydrologic Balance:** No standing water was observed anywhere across the site. No rills or erosion gullies were observed.

**Processing Waste:** No processing waste was observed.

**Reclamation Success and Revegetation:** The Operator stated that reseeding efforts had occurred at the site in 2019, the fall of 2020, fall of 2021, and a no till grass drill reseeding effort was done in 2022. The post mining land use at the site is rangeland and includes a seed mix comprised of Western wheatgrass, Green needlegrass, Thickspike wheatgrass, Sheep fescue, and Cicer milkvetch. As shown in Photos 1, 2, and 3, vegetative cover is still sparse in most areas, with some larger bare spots in the west (Photo 2). In areas where vegetative cover is denser (Photo 1), vegetation is mostly made up of weeds species such as Russian Thistle and Cheatgrass. There are sprouts of native grass vegetation dotted throughout the site, however these areas are sparse, and most plants are not much more than a few inches tall. It is likely that while present weedy vegetation is providing a positive element of erosion control, they are likely also suffocating out the success of native species growth. There has been some encroachment of surrounding native species onto the edges and within the permit area, but this movement is a slow moving and minimal process. No noxious weeds were observed at the inspection.

Original permitting of the site included the Operator's commitment to ensuring that no livestock will be permitted on site until the permit area is released by the Division. At the time of inspection, evidence of livestock was present on site and was confirmed by the Operator. The Division reminds the Operator of the above commitment made and would encourage livestock activity to be paused on site in order to allow the small population of native grasses to thrive enough to support final release.

**Right of Entry:** As per the Moffat County Assessor website, the surface ownership of the permit boundary area belongs to Peroulis, John & Sons. The Bureau of Land Management (BLM) is the owner of subsurface mineral rights in this area. A proof of a contract for the sale of mineral materials between the BLM and the Operator, Precision Excavating, Inc. was provided to the Division on August 10, 2010 (attached below). Stipulations stated within this contract give the BLM jurisdiction over the reclamation standards present on site. Therefore, in order for a surety release request to be approved for the site, the BLM would need to concur with the Division's future decision to release the area.

**Sediment Control:** No BMPs were determined to be needed at the time of the inspection.

**Signs and Markers:** Boundary markers were in place pursuant to Rule 3.1.12. One example on the southwest corner is shown in Photo 3.

**Permit Stipulations:** There are no permit stipulations. However, there is an original commitment to ensuring no livestock will be permitted on site until the permit area is released by the Division.

Per Rule 3.1.10(1), "in those areas where revegetation is part of the Reclamation Plan, land shall be revegetated in such a way as to establish a diverse, effective, and long-lasting vegetative cover ...at least equal in extent of cover to the natural vegetation of the surrounding area." At the time of the SL-2 inspection, representative revegetation at site does not equal the extent of cover to the natural vegetation of the surrounding area. Additionally, a majority of the vegetation present is made up of annual weeds and does not represent diverse cover. As such, Rule 3.1.10(1) has not been satisfied and the Division will **Deny** the full release of the Peroulis Brothers Snake River Pit as requested under SL-2.

Photographs taken during the inspection have been included below. Responses to this inspection report should be directed to: Hunter Ridley at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 720-868-7757 or via email at [hunter.ridley@state.co.us](mailto:hunter.ridley@state.co.us)

**PHOTOGRAPHS**



**Photo 1: View northeast of representative vegetive cover.**



**Photo 2: View northwest of representative vegetive cover.**





**Photo 3: View west of a permit boundary marker, undisturbed land is shown to the south.**

**Inspection Contact Address**

David Zehner  
Precision Excavating, Inc.  
1545 West Jefferson Ave  
Hayden, CO 81639

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

CONTRACT FOR THE SALE OF MINERAL MATERIALS

RECEIVED

AUG 10 2010

Division of Reclamation  
Mining and Safety

FORM APPROVED  
OMB NO. 1004-0103  
Expires: September 30, 2011

Office  
CON01000, LITTLE SNAKE FIELD OFC  
Contract Number  
COC74427

GRM/DMC

The UNITED STATES OF AMERICA acting through the Bureau of Land Management (BLM), and PRECISION EXCAVATING you, the purchaser, make this AGREEMENT, under the authority of the Act of July 31, 1947 (61 Stat. 681), as amended at 30 U.S.C. 601 through 604, and the regulations at 43 CFR, Group 3600.

M-2009-079

We agree:

Sec. 1. *Contract area* - Under the terms and conditions of this contract, the United States sells to you and you buy the mineral materials listed in Section 2 and contained in the following lands as shown on the map and mining plan attached to this contract:

COUNTY	STATE	TOWNSHIP	RANGE	SECTION	ALIQUOT PARTS	MERIDIAN	ACREAGE
MOFFAT	CO	11N	95W	30	S½NE¼, SE¼, SE¼SW¼	6TH P.M.	101
MOFFAT	CO	11N	95W	31	NW¼NE¼, NE¼NW¼	6TH P.M.	
<div>RECEIVED</div> <div>AUG 06 2010</div> <div>GRAND JUNCTION FIELD OFFICE DIVISION OF RECLAMATION MINING &amp; SAFETY</div>							

Pit Name (if any): PEROULIS BROTHERS SNAKE RIVER PIT

Sec. 2. *Amount and price of materials* - The United States determines the total purchase price by multiplying the total quantity of each kind of mineral material designated by the unit price given below, or as changed through reappraisal.

KIND OF MATERIALS	QUANTITY (Units Specified)	PRICE PER UNIT	TOTAL PRICE
3/4" ROAD BASE	5,000 TONS	0.64	\$3,200.00
<b>TOTAL</b>			<b>\$3,200.00</b>

BLM's determination of the amount of materials that you have taken under the contract is binding on you. You may appeal this determination as provided in Section 19.

You are liable for the total purchase price, even if the quantity of materials you ultimately extract is less than the amount shown above. You may not mine more than the quantity of materials shown in the contract.

Sec. 3. *Payments, title, and reappraisals* - You may not extract the materials until you have paid in advance for them in full \$ 3,200.00, or paid the first installment of \$ 500.00

☐ If you pay in full in advance, BLM will check this box, and Subsections 3(a) through 3(c) do not apply to your contract. You must pay in full for all sales of \$2,000 or less.

(a) If you pay in installments, you must pay the first installment before BLM approves the contract.

(b) Once you start removing material, you must pay each subsequent installment payment monthly in an amount equal to the value of materials removed in the previous month. Payment must be made by the 15th day following the end of the month for which you are reporting. You must pay the total purchase price not later than 60 days before the contract expires.

(c) The United States will retain the first installment as security for your full and faithful performance and will apply it to the last installment required to make the total payment equal to the total price given in Section 2.

The total purchase price equals the sum of the total quantities removed, multiplied by their respective unit prices.

If you are late making an installment payment, you must not remove any more material until you have paid. Removing material you have not paid for is trespass, and for trespass you must pay at triple the appraised unit price, or at triple the reappraised unit price if BLM has made a reappraisal. To resume removal operations after you were late making payments, you must obtain BLM's written approval.

(d) You receive title to the mineral materials only after you have paid for them and extracted them.

**Sec. 4. Risk of loss** - You assume complete risk of loss for all materials to which you have title. If material covered by this contract is damaged or destroyed before title passes, you are liable for all loss suffered if you or your agents are directly or indirectly responsible for the damages. If you are not responsible for the damage or destruction, you are liable only to the extent that the loss was caused by your failure to remove the material under the terms of this contract. You are still liable for breach of contract or any wrongful or negligent act.

**Sec. 5. Liability for damage to materials not sold to you** - You are liable for loss or damage to materials not sold to you if you or your agents are directly or indirectly responsible for the damage or loss. You are also liable if you fail to perform under the contract according to BLM's instructions and the United States incurs costs resulting from your breach of any contract term or your failure to use proper conservation practices. If the damage resulted from willful or gross negligence, you are liable for triple the appraised value of the damaged or destroyed materials. If the damage or destruction did not result from willful or gross negligence, you are liable for lesser charges, but not less than the appraised value of the materials.

**Sec. 6. Stipulations and reserved terms** - Your rights are subject to the regulations at 43 CFR Group 3600 and to any stipulations and the mining plan attached to this contract.

☒ **BLM will check this box if there are stipulations attached to this contract.**

**Sec. 7. Notice of operations** - You must notify BLM immediately when you begin and end operations under this contract. If BLM has specified a time frame for notification, you must comply with that time frame.

**Sec. 8. Bonds** - (a) You must furnish BLM with a bond in the amount of \$ 0.00 as a condition of issuing this contract.

(b) If you do not perform all terms of the contract, BLM will deduct an amount equal to the damages from the face amount of the bond. If the damages exceed the amount of the bond, you are liable for the excess. BLM will cancel the bond or return the cash or U.S. bonds you supplied when you have completed performance under this contract.

(c) BLM will require a new bond when it finds any bond you furnish under this contract to be unsatisfactory.

**Sec. 9. Assignments** - You may not assign this contract without BLM's written approval.

**Sec. 10. Modification of the Approved Mining or Reclamation Plan** - You or BLM may initiate modification of these plans to adjust for changed conditions, or to correct any oversight. The conditions for BLM requiring you to modify these plans, or approving your request for modification are found in the regulations at 43 CFR 3601.44.

**Sec. 11. Expiration of contract** - This contract will expire 5 years, 0 months, 0 days from its approval date, unless BLM extends the term or renews the contract.

☐ **BLM will check this box if this contract is a renewable competitive contract.**

**Sec. 12. Renewal of renewable competitive contract** - BLM will renew your contract if you apply in writing no less than 90 days before your renewable competitive contract expires and you meet the conditions in the regulations at 43 CFR 3602.47.

**Sec. 13. Violations and cancellations** - (a) If you violate any terms or provisions of this contract, BLM may cancel your contract following the regulations at 43 CFR 3601.60 et seq., and recover all damages suffered by the United States, including applying any advance payments you made under this contract toward the payment of the damages.

(b) If you extract any mineral materials sold under this contract during the suspension period, or after the contract has expired or been canceled, you have committed, and may be charged with, willful trespass.

**Sec. 14. Responsibility for damages suffered or costs incurred by the United States** - If you, your contractors, subcontractors or employees breach this contract or commit any wrongful or negligent act, you are liable for any resulting damages suffered or costs incurred by the United States. You must pay the United States within 30 days after receiving a written demand from BLM.

**Sec. 15. Extensions of time** - BLM may grant you an extension of time in which to comply with contract provisions under the regulations at 43 CFR 3602.27. For contracts with terms over 90 days, you must apply in writing no less than 30 or more than 90 days before your contract expires. For contracts with terms of 90 days or less you must apply no later than 15 days before your contract expires.

**Sec. 16. Time for removing personal property** - You have 90 days (not to exceed 90) from the date this contract expires to remove your equipment, improvements, and other personal property from United States lands or rights-of-way. You may leave in place improvements such as roads, culverts, and bridges if BLM consents. Any property remaining after this period ends becomes the property of the United States, but you will remain liable for the cost of removing it and restoring the site.

**Sec. 17. Equal opportunity clause** - The actions you take in hiring must comply with the provisions of Executive Order No. 11246 of Sept. 24, 1965, as amended, which describe the non-discrimination clauses. You may get a copy of this order from BLM.

Sec. 18. *Effective date* - This contract becomes effective as indicated below.

- ☒ If this contract becomes effective on the date BLM signs the contract, BLM will check this box.
- ☐ If this contract becomes effective only after certain conditions are met, BLM will check this box, list the conditions below, and indicate the effective date.

Sec. 19. *Appeal* - You may appeal any decision that BLM makes in regard to this contract under Parts 4 and 1840 of Title 43 of the Code of Federal Regulations.

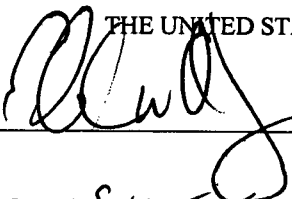
The following parties have executed this contract as of:

PURCHASER

THE UNITED STATES OF AMERICA

Precision Excavating Inc.  
(Individual or Firm Name)

By

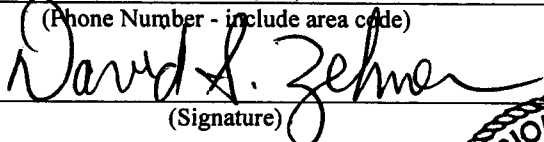


P.O. Box 790, Hayden, CO 81639  
(Address)

LITTLE SNAKE FIELD OFFICE  
(BLM)

970-276-3359  
(Phone Number - include area code)

ACTING ASSISTANT FIELD MANAGER  
(Title)

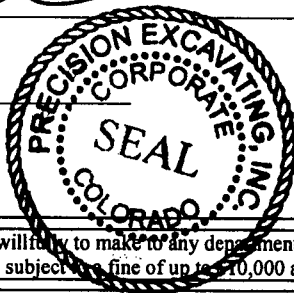
  
(Signature)

JULY 21, 2010

(Date)

(Signature)

If you are a corporation, affix corporate seal here:



Title 18 U.S.C 1001, makes it a crime for any person knowingly or willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction, subject to a fine of up to \$10,000 and imprisonment up to 5 years.

#### NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 601 et seq.; 43 CFR 3600

PRINCIPAL PURPOSE: BLM uses this information to identify the parties entering into contracts for disposing of mineral materials.

ROUTINE USES: BLM will transfer information from the record or the record itself to appropriate Federal, State, local, or foreign agencies, when relevant to criminal, civil, or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION: If you do not provide this information to BLM, we will not be able to process your application for a contract.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM is collecting this information to process your application and effect a binding contract.

The BLM will use this information to identify and communicate with applicants.

You must respond to this request to get a benefit.

The BLM would like you to know that you are not required to respond to, this or any other Federal agency-sponsored information collection which does not have a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average about 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0103), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.



EXHIBIT A  
SPECIAL STIPULATIONS  
COC-74427  
Peroulis Brothers Snake River Pit  
Precision Excavating  
T. 11 N., R. 95 W. of the 6th PM  
Sec. 30, S½NE¼, SE¼, SE¼SW¼  
Sec. 31, NW¼NE¼, NE¼NW¼

RECEIVED  
BUREAU OF LAND MANAGEMENT  
2015 JUL 20 PM 4:16

1. Pit rehabilitation shall consist of the following requirements:
  - a. All rejected oversized material will be buried in the excavation prior to rehabilitation.
  - b. The pit walls shall be sloped to blend with surrounding existing contours, not to exceed 3H:1V.
  - c. The pit segment floor and access routes are to be disked or ripped to loosen compacted soils.
  - d. Stockpiled topsoil shall be spread evenly over the sides and bottom of the pit segment excavation.
2. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.
3. Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.
4. No hazardous materials/hazardous wastes, trash or other solid waste shall be disposed of on public lands. If a release does occur, it shall be reported to this office immediately. Permittee is responsible for disposing of all debris in accordance with state and federal regulations.
5. Disturbed areas will be monitored for noxious weeds for three (3) years following reclamation.
6. Control of noxious weeds will be required through successful vegetation establishment and/or herbicide application. If applications of herbicide are prescribed, however, it is the responsibility of the lease operator to insure compliance with all local, state and federal laws and regulations, as well as labeling directions specific to the use of any given herbicide.

A Pesticide Use Proposal (PUP) will be approved prior to application of herbicides and/or other pesticides on Federal surface; contact the Little Snake Resource Area office to obtain a PUP form to request this authorization. Submit the PUP 2 months in advance of planned application. In the event you elect to apply herbicide or other pesticide as described and authorized on the approved PUP, you must report this use within 24 hours on Bureau of Land Management form titled Pesticide Application Record.
7. All equipment and machinery shall be equipped with spark arrestors and mufflers.
8. Permittee is responsible for all suppression costs for any fire resulting from their operations and practices.
9. Topsoil will be stockpiled for pit rehabilitation measures.
10. No operations are permitted between the hours of 4AM – 9AM, March 15 – May 15 for the protection of nearby sage grouse leks.

11. A 4 ft. berm will be maintained around the mining activity from April 1 – July 1 to protect nesting sage grouse.
12. A maximum of 35 acres of disturbance will be allowed at one time.
13. Warning signs shall be placed where appropriate during operational phases to minimize hazards to passing traffic.
14. Between operations, the pit walls shall be maintained at a slope ratio not to exceed 3H:1V, so as to minimize slope failure potential and public safety hazards.
15. Production figures and weigh tickets will be submitted monthly.
16. A map showing the areas of operations and annual production of tons of material removed will be submitted annually by February 1.
17. To eliminate disturbance of existing power, telephone, and road rights-of-way, there will be no excavation within 40 feet of power poles, telephone poles, pole anchors, or the nearest side of an existing road.
18. BLM inspectors will be allowed access to the site.
19. When the pit has been exhausted, the items in 1.b. above shall be completed.
20. The reclamation bond for the Precision Excavating Peroulis Brothers Snake River Pit will not be released until BLM has determined that Precision Excavating has fulfilled its reclamation obligations. If the damages exceed the amount of the bond, Precision Excavating is liable for the excess.

Signature

Date

RECEIVED  
BLM DISTRICT OFFICE  
GALATI, IDAHO 83402-2152  
2010 JUL 20 PM 4:16