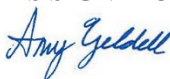




MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

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: South Fruita Gravel Pit	MINE/PROSPECTING ID#: M-1981-243	MINERAL: Sand and gravel	COUNTY: Mesa
INSPECTION TYPE: Surety-Related Inspection	WEATHER: Cloudy	INSP. DATE: November 5, 2024	INSP. TIME: 09:00
OPERATOR: Grand Junction Concrete Pipe Co.	OPERATOR REPRESENTATIVE: Bryan Jorgensen	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Priority	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$237,724.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: DRMS	JOINT INSP. AGENCY: None	
INSPECTOR(S): Amy Yeldell	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: November 21, 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>Y</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>NA</u>	(RS) RECL PLAN/COMP-- <u>NA</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION-- <u>N</u>	(ST) STIPULATIONS----- <u>Y</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 in response the Acreage Reduction Request (AR-1), submitted to the Colorado Division of Reclamation, Mining and Safety's (Division) on September 10, 2024. The entire permitted area was inspected. The South Fruita Gravel Pit is a 112c permitted site that includes a total of 104 permitted acres. The site located one mile south of Fruita, Colorado and is accessed from Maple Street. Amy Yeldell of the Division conducted the inspection. Jon Muller and Bryan Jorgensen represented Grand Junction Pipe Co. the Operator.

Acid And Toxic Materials:

Fuel was observed in a secondary containment adjacent to the scale house.

Backfilling and Grading:

The slopes along the North and northeast side of the Karp pond appear to be graded to a 3H: 1V or less and are somewhat reclaimed (Photo Four). All highwalls adjacent to the stripped pad that remains along the southwest side are approximately 1H: 1V and will be mined through when mining concludes in this phase. At this time all slopes requiring grading in this phase may be cut/fill graded.

The east Arcuby pond has concluded mining and is being used as the wash pond. All slopes surrounding the existing lake are at a 3H: 1V. Some stockpiles are present along the south side of the lake that would require grading out if not completely removed. Only limited touch-up grading is anticipated for final reclamation. (Photo Seven)

The West Arcuby pond is nearly all mined out. The pit has been excavated to a depth of approximately 25 ft. The northern pit slopes are generally all shaped with only touch up grading and blending. The south and southeast side of the pit has near vertical slopes. Some areas may be cut/fill but a portion of the highwalls do require backfill being transported from areas adjacent to 17 ½ road. It is anticipated that this phase will be completed by early 2025. Photos Eight – Twelve.

Note that per the Reclamation Plan (AM-1) 5H: 1V slope is required in select areas. On portion in the southeast corner of the Karp pond, approximately 300 LF. Then one spot on the south edge of the Arcuby Pond and another on the west side, each approximately 200 LF.

Explosives:

Explosives are not used in conjunction with this mining operation.

Financial Warranty:

The Division currently requires a financial warranty amount of \$237,724 for this site. The bond was last recalculated with SI-6 in 2022. 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:

The Arcuby pit on the west side of the road is completely dewatered. Both ponds on the east side of the road are inundated.

Gen. Compliance With Mine Plan:

The pit was active at the time of the inspection. Processing equipment and crews were observed working on site. For the most part all areas except those being considered for release under AR-1 have been affected by mining.

Site conditions of the Karp parcel remain unchanged from the previous inspection. All of the Karp parcel not being requested for release has been stripped (Photo Five). This area is anticipated to be mined within the next two years. Stockpiles are located on the southeast corner of the Karp pond (Photo Six).

The majority of current activity is in the west Arcuby pit where material is being excavated. Photos Eight – Twelve.

Other:

The northern portion of the Karp parcel which is 8.82 ac has been requested to be released under AR-1. This area is differentiated from the affected lands by a wire fence. This land has not been affected by mining and thus no required reclamation has occurred to date. Vegetation consists of a fallow field with some volunteer of native shrubs. Photos 1-3.

Based on this inspection it is 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. A decision letter will be sent under a separate cover.

Roads:

The main road through the center of the pit to the bridge is paved. Some roads are present going around the lakes. While roads are indicated on the Final Reclamation Plan Map, they likely will need to be updated to match post mining site conditions.

Right of Entry:

Division staff verified that landownership of all affected lands and therefore is in compliance with Rule 6.3.7 by maintaining its Legal Right of Entry.

Reclamation Success:

No areas were evaluated for successful completion of reclamation.

Revegetation:

Some areas of the west Arcuby pond appear to have been reclaimed along the north slope. The Division did not specifically evaluate revegetation given the growing season has passed. All areas which are not permeant roads or water shall be revegetated.

Russian Olive was observed on site. The Operator shall treat for all state listed noxious weeds on affected lands. The Division does acknowledge that this site is a sink rather than a source however efforts must be made to limit the spread and impact on reclaimed lands.

Support Facilities On-site:

A crusher was located in the bottom of the west Arcuby pit. A was pond was located on the southeast corner of the East Arcuby pond. No asphalt production equipment was located on site. The scale and scale house remain along the central access road.

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 pursuant to Rule 3.1.12(2). Please ensure that permit boundary markers are moved / replaced as necessary following AR-1 to reflect changes to the permit boundary.

Topsoil:

The primary topsoil pile is located on the west side of the west Arcuby Pit. A plie is also located on the southeast side of the Karp pond.

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 970-210-1272 or via email at amy.yeldell@state.co.us

Inspection Contact Address

Bryan Jorgensen
Grand Junction Concrete Pipe Co.
556 Struthers Ave.
Grand Junction, CO 81501

Enclosure

CC:

Travis Marshall, Senior EPS, Grand Junction DRMS

PHOTOGRAPHS



Photo 1: AR-1 area



Photo 2: AR-1 Area.



Photo 3: AR-1 Area



Photo 4: Karp Pond







Photo 9: Overview of west Arcuby



Photo 10: SE corner of west Arcuby



Photo 11: Previously mined and dewatered West Arcuby



Photo 12: Backfill and stockpiles on the east side of west Arcuby