




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: AZCO Pit	MINE/PROSPECTING ID#: M-2004-029	MINERAL: Sand and gravel	COUNTY: Fremont
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: April 16, 2025	INSP. TIME: 09:00
OPERATOR: AZCO Construction, Inc.	OPERATOR REPRESENTATIVE: Mr. Ronald Walker	TYPE OF OPERATION: 110c - Construction Limited Impact	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$17,500.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
INSPECTOR(S): Jocelyn Carter	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: May 21, 2025

The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.

INSPECTION TOPIC: Reclamation Success

PROBLEM #1: Failure to follow and complete approved reclamation plan within five (5) years of initiating final reclamation, pursuant to C.R.S. 34-32.5-116 (4)(q)(I) and Rule 3.1.3.

CORRECTIVE ACTIONS: The operator shall submit a written request to extend the completeness date for final reclamation of the affected area. The request letter shall include an updated timeline of the applicable reclamation tasks. Removal of mining equipment and supplies, backfilling, grading, and first seeding event shall be completed during the 2025 spring and summer seasons.

CORRECTIVE ACTION DUE DATE: 6/06/25

INSPECTION TOPIC: Off-site Damage

PROBLEM #2: A rock truck and processing plant appear to be stored just outside the permit boundary. According to Rule 1.3, this use of the land can be attributed to mining activity and is considered affected lands. This is a possible violation at this time pursuant to C.R.S. 34-32.5-116(4)(i) for failure to protect areas outside of the affected land from slides or damage occurring during the mining operation.

CORRECTIVE ACTIONS: Option 1) The rock truck and processing plant need to be moved into the approved permit boundary or removed from the area. Photographs of the removed rock truck and processing plant shall be sent to the Division by the corrective action due date. Option 2) Provide a letter to the Division from the landowner stating that the equipment is their personal property that is being stored in that area and no longer used for the mining operation by the corrective action due date.

CORRECTIVE ACTION DUE DATE: 6/20/25

OBSERVATIONS

The AZCO Pit, Permit No. M-2004-029, was inspected by me, Jocelyn Carter, on behalf of the Division of Reclamation, Mining, and Safety (Division/DRMS). AZCO Construction, Inc. is the permittee, Mr. Ronald Walker was present for the site visit on their behalf. The inspection was performed for routine monitoring and in accordance with Rule 3.2. The weather was good, with warm temperatures and clear skies.

The AZCO Pit is located approximately 17 miles northwest of Canon City in Fremont County. The pit is situated to the east of Walker Road. The post mining land use of the permit area is rangeland. The operation extracted sand and gravel for road material and construction aggregates. There was no active mining taking place at the time of the inspection. There was mining equipment on site, including a crushing and processing plant, an excavator, a rock truck, and a trailer. Additionally, there were some smaller materials on site associated with the operation: a fuel tank, several metal drums, gates and panels, and some equipment parts.

The disturbance due to mining consists of a highwall and three benches, a lower bench to the west, a middle bench, and an upper bench to the east. The upper bench is at the base of the highwall, the highwall is at a slope approximately 1H:1V to 1.5H:1V. The excavator is situated at the north end of the lower bench.

Reclamation Plan/ Compliance

A problem is being cited regarding the reclamation compliance of this permit. During the last inspection, a problem was cited for the mining activity ceasing in 2010. The Operator submitted a formal notice to begin final reclamation, dated January 6, 2020. Rule 3.1.3 dictates that all reclamation shall be completed within 5 years from the date of notification to the Office/Division. Reclamation activities should have been completed by January 5, 2025. Based on the observations made during this inspection, reclamation activities did not occur. See Problem #1 above for the corrective action information and due date. A copy of the notice of final reclamation received from the Operator, dated January 6, 2020, along with a Notice of Annual Report Discrepancy sent to the Operator by the Division, dated September 7, 2023, is attached to this report.

Off-site Damage

There is a dump truck and a processing plant that has been kept on the southwest side of Walker Road, outside the permit boundary, see Photos #5 and #6. This equipment is associated with mining activities and should be kept within the permit boundary or removed from the area. This is cited as Problem #2, see the above citation for the corrective action information and due date.

Records

The permit is up to date on annual reports and fees; the land and mineral rights are privately owned and the last inspection of the site by the Division was on November 8, 2019.

Annual reports indicate that the operation is not in final reclamation. Going forward, the operator should state that they are in final reclamation when submitting the annual report.

Hydrological Balance

There did not appear to be an issue with the hydrologic balance to the area.

Processing Waste/Tailings

There were several stockpiles of processed waste on site. These stockpiles need to be removed and utilized for the reclamation of the affected area.

Signs and Markers

A mine sign is posted in accordance with Rule 3.1.12(1), see Photo #1. The permit boundary is marked with orange T-posts, see Photo #2.

Financial Warranty

The currently held bond for the permit is in the amount of \$17,500.00. A calculation of the estimated reclamation costs was done with this inspection, and it was found that the current amount is not adequate. The reclamation cost estimate is \$23,108.00. This amount is based on all reclamation tasks still needing to be completed.

Backfill & Grading

The technical revision TR-1, approved by the Division on March 10, 2020, gave approval of the benches to remain and the slopes to be left at 2H:1V. This reclamation task has not been performed.

Topsoil

Technical Revision TR-1 removed the need for applying topsoil to the affected area due to the lack of natural topsoil. Seeding would be applied to the sloped area and the benches would be vegetated by volunteer native vegetation.

Revegetation

Voluntary vegetation has established on the benches of the affected area, including numerous pine trees. It is recommended that the operator preserve the trees prior to beginning reclamation tasks in effort to re-establish them in the affected area.

Photos taken during the site visit are included in this report. Questions about this inspection report should be directed to me by email at Jocelyn.carter@state.co.us.

PHOTOGRAPHS



Photo #1: Mine sign posted near the entrance of the pit on Walker Road.



Photo #2: A permit boundary marker, located on the northwest corner, looking to the north.



Photo #3: The dump truck kept on site, in front of a stockpile of material.



Photo #4: The excavator, processing plant, generator, trailer and fuel tank can be seen on the left side of the photo. The equipment parts can be seen on the right side of the picture. The two benches leading up to the working area and the high wall can be seen in the background.



Photo #5: The rock truck sitting on the southwest side of Walker Road, outside the permit boundary that needs to be moved.



Photo #6: The processing plant sitting on the southwest side of Walker Road, outside the permit boundary that needs to be moved.



Photo #7: View of the upper bench and base of the highwall from the middle bench, looking north. The slope needs to be graded and stabilized. Vegetation, including trees and shrubs, that have voluntarily established can be seen.



Photo #8: View of the upper bench with the highwall seen to the right, looking north.

GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(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>Y</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</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>NA</u>	(RS) RECL PLAN/COMP-- <u>PB</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>NA</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>NA</u>
(AT) ACID OR TOXIC MATERIALS----- <u>NA</u>	(OD) OFF-SITE DAMAGE----- <u>PB</u>	

Y = Inspected / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

Inspection Contact Address

Mr. Ronald Walker
AZCO Construction, Inc.
112 Top Rail Trail
Penrose, CO 81240

Enclosure Notice of Annual Report Discrepancy (September 7, 2023) and Notice of Final Reclamation
(January 6, 2020)

CC: Amy Eschberger, DRMS



COLORADO
Division of Reclamation,
Mining and Safety
Department of Natural Resources

September 7, 2020

Mr. Ronald E. Walker
AZCO Construction, Inc.
112 Top Rail Trail
Penrose, CO 81240

Re: AZCO Pit, Permit No. M-2004-029, Annual Report Discrepancy

Dear Mr. Walker:

On September 7, 2023 the Division of Reclamation, Mining and Safety (DRMS) received your 2023 Annual Report. You indicated in your response to Item #3 that the site is no longer in final reclamation, yet the response to Item #4 indicates there has been no activity since August 11, 2010. DRMS records include a letter from you dated January 6, 2020 (enclosed) stating the mine was entering final reclamation and reclamation would be completed within five years (or by January 5, 2025).

If you have re-initiated mining, please inform the DRMS via letter and ensure any new mining activity is reflected in future annual reports by including the most recent mining activity date in response to Item #4. If you are still in final reclamation, please answer "yes" to Item #3 in future annual reports.

If you have any questions, please contact me at 303-328-5229 or via email at tim.cazier@state.co.us.

Sincerely,

Timothy A. Cazier, P.E.
Environmental Protection Specialist III

Enclosure: January 6, 2020 Letter

ec: DRMS file



TEL



AZCO CONSTRUCTION

RECEIVED

JAN 09 2020

**DIVISION OF RECLAMATION
MINING & SAFETY**

January 6, 2020

Mine Name: AZCO Pit

ID# M-2004-029

Operator: AZCO Construction, Inc.

Operator Rep: Ron Walker

Please consider this as our formal notice of the intent to begin final reclamation
To be completed within 5 years.

Thank You,

A handwritten signature in black ink, appearing to read "Ron Walker", written over a horizontal line.

Ron Walker

AZCO Construction, Inc