




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: Silt Pit	MINE/PROSPECTING ID#: M-1981-202-SG	MINERAL: Sand and gravel	COUNTY: Garfield
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: May 20, 2025	INSP. TIME: 09:00
OPERATOR: Flag Resources Inc	OPERATOR REPRESENTATIVE: Eric Frei	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE:	BOND AMOUNT: \$337,611.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Todd Jesse	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: June 3, 2025	

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>N</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>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>N</u>	(ST) STIPULATIONS----- <u>N</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

This inspection report was conducted as part of the normal monitoring program established by the Colorado Division of Reclamation, Mining, and Safety's Active Mines Program. The Silt Pit is a 112c Operation operated by Flag Resources Inc. The site is located 1 mile southeast of Carbondale, CO at an elevation of approximately 5,450 feet. Public access is controlled by a gate off CR 311. Eric Frei of Flag Resources was present during the inspection.

Backfilling and Grading:

The eastern portion of the permit area has been backfilled and graded to reclamation grade. The shores of the western pond are at a 3:1 grade and appear stable.

Financial Warranty:

The last Surety Increase was done in 2021. The operator stated that they intend to submit an Acreage Release Request followed by a Surety Reduction Request. The financial warranty will not be recalculated at this time but will be recalculated during the upcoming release process.

Fish and Wildlife:

The western pond is stocked with bass. There were also numerous groups of waterfowl observed on the western pond. Songbirds were observed in wetland areas on the western portion of the permit boundary.

Hydrologic Balance:

Groundwater has been exposed on site. The operator is currently dewatering the eastern pond and discharging water into the western ponds. There is one large pond and a series of smaller shallower ponds that water travels to. The water then infiltrates back into the ground. The operator holds a CDPHE permit but has not discharged water into the Colorado River in the recent past.

Hydrocarbons are stored in concrete berm secondary containment. Fuel storage is located between the ready-mix plant and office. Used oil is also stored in the shop area to be burned for heat in the winter.

Gen. Compliance With Mine Plan:

Mining is being conducted in accordance with the approved mining plan. Mining is occurring from west to east. Western portions of the permit have been mined out and reclaimed. Mining and processing are occurring in the eastern and central portions of the permit area.

Reclamation Success:

Western portions of the permit area have been reclaimed. The majority of the main western pond is at reclamation grade and supports vegetation. Only the northeastern portion of the main pond has not been reclaimed. Smaller ponds along the western

Revegetation:

The banks of the main western pond areas are well vegetated with the exception of the northeast corner. Smaller ponds along the western boundary contain wetland species. Pasture areas are diverse effective cover that is capable of self-regeneration without continued dependence on irrigation, soil amendments or fertilizer. Minor amounts of cheatgrass were observed near the Xcel right of way in the reclaimed area. There were also several Russian olive and tamarisk seen along the banks of the western pond. Please work with your county on the implementation of a weed management plan.

Support Facilities On-site:

Areas in the permit area are leased out to other companies to run a hot plant (Lion Construction and Paving) and ready-mix plant (Casey Concrete). There is also an office facility and scale at the entrance to the site as well as a shop.

Signs and Markers:

The mine identification sign and boundary markers are in place and in compliance with Rule 3.1.12. The sign is posted by the entrance off CR 311. The permit boundary is marked with fence line and posts that are easily identifiable as well as earthen berms.

Topsoil:

Topsoil is stored in multiple locations throughout the mine site. There appears to be sufficient topsoil present to complete reclamation.

Photos that show site conditions can be found at the end of the report.

All responses to this report should be directed to Todd Jesse with the Division's Active Mines Program at DRMS, Room 215, 1001 E. 62nd Ave. Denver, CO 80216. Direct contact can be made at the Division's Grand Junction Field Office, by phone at (720) 688-0626 or by email at todd.jesse@state.co.us.

PHOTOGRAPHS



Photo 1 – View to the north of finished product stockpiles



Photo 2 – View to the north of mining area with topsoil stockpile in background.



Photo 3 – View to the south of crushing and screening area.



Photo 4 – View to the west of ready-mix plant in the foreground and hot plant in the distance.



Photo 5 – View to the southwest of fuel storage in secondary containment.



Photo 6 – View to the west of the main western pond. A minor infestation of Russian olive can be seen on the far bank.



Photo 7 – View to the east of reclaimed pastureland adjacent to smaller ponds.

Inspection Contact Address

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CC: Travis Marshall, DRMS