



COLORADO

Division of Reclamation,
Mining and Safety


Department of Natural Resources

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: Upper Animas Sand and Gravel Pit	MINE/PROSPECTING ID#: M-2005-065	MINERAL: Sand and gravel	COUNTY: San Juan
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: July 16, 2025	INSP. TIME: 09:53
OPERATOR: Jack Clark, Jr.	OPERATOR REPRESENTATIVE: Jack Clark Jr.	TYPE OF OPERATION: 112c - Construction Regular Operation	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE:	BOND AMOUNT: \$20,404.67
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
INSPECTOR(S): Lucas West	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: August 27, 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: Support Facilities On-site

PROBLEM/POSSIBLE VIOLATION: Problem: Improper storage and containment of fuels and/or other hazardous materials was present on site. During the inspection an above ground fuel tank was observed with no secondary containment, and four super sacks of Hydrated Lime were also observed with no secondary containment.

CORRECTIVE ACTIONS: All storage tanks, petroleum and any hazardous materials on site for any period of time shall have appropriate secondary containment. The site will also have to comply with all applicable SPCC requirements. Please supply photo documentation that any fuel or hazardous materials containers are stored properly - including applicable secondary containment structures by the corrective action date. Note that secondary containment structures shall consist of an impermeable containment which could contain all contents of the tanks and various containers (when full) plus 10% of the total capacity. The operator may also provide photo documentation that all containers have been removed from the site on or before October 31, 2025.

CORRECTIVE ACTION DUE DATE: 10/31/25

OBSERVATIONS

This inspection was conducted as part of the normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety. The Upper Animas Sand and Gravel Pit is an active 112(c) operation consisting of 16.3 Permitted Acres located 3.5 Miles Northeast of Silverton, CO. The site lies on the North side of County Road 2 at nearly 9,720 Feet in elevation. The Division currently holds \$20,404.67 in Financial Warranty for the site. A reclamation cost estimate update will be performed as a result of this inspection and any notice of Financial Warranty Increase will be sent to the Operator under a separate cover. Nine Photos accompany this report to illustrate the current site conditions. The permit is held by the Operator, Jack Clark Jr. however the recent mining activity has been conducted by a contractor, Tony Casternova. Tony was contacted after the inspection, however was not present during the inspection.

The proper mine identification signage is posted at the entrance to the site and can be seen in Photo One. The permit boundaries are also clearly marked with a combination of T-posts and earthen berms. The active mining area is focused in the northern end of Pit 1 and all of Pit 2. Pit one lies within the active floodplain of the Animas River and will be reclaimed to a developed water resource. The side slopes of the pit appear to be stable, in good condition and are in their final reclamation configuration of 3H: 1V. The Pit 1 Area can be seen in Photos Two and Three. Adequate slope below the ponds water surface was visible and in good condition. The pond currently has a peninsula extending into the pond. The Mining and Reclamation Plans do not show a peninsula in the pond, but it is unclear if Pit 1 is in its final configuration. If the peninsula is desired to remain, it should be addressed through the Division's Technical Revision process. If not, the peninsula should be removed. Pit 2 is the focus of the mining operations at this time. The pit is being mined via highwall mining. Almost the entire perimeter of pit 2 consists of 12-15 foot highwalls. The highwalls appeared to be stable at the time of the inspection and no evidence of sloughing was noted. The pit has not exposed groundwater, minimal amounts of standing water was noted in response to recent precipitation events. The continued mining of the Pit 2 area appears to be consistent with the approved Mining Plan. The Pit 2 area can be seen in Photos Four and Five.

Pits 3 and 4 have not been excavated at this time. The lands have been affected only by material processing and stockpiling activities. Several large stockpiles of various sized materials are staged in and around the Pits 3 and 4 areas. A majority of the stockpiles show evidence of recent hauling, and all stockpiles appeared stable at the time of the inspection. No evidence of sloughage or erosion was noted on the stockpiles. Various mining and processing equipment was located in the area and all seemed to be in good working order. Photos Six and Seven show examples of the various stockpiles and equipment in the area. Almost the entire permit area shares the space with the Operator/Landowners shop, residence and other towing and repair business. As a result there is various equipment, parts and vehicles within the permitted area that are not associated with the mining operations. All of the other items are stored in a neat and orderly fashion and are not considered a problem at this time.

In the pit 4 area, two problems were identified. On the West side of the unexcavated Pit 4 area is a fueling station consisting of two above ground fuel tanks. The large red tank was confirmed to be double walled for containment, however the elevated gray tank has no secondary containment structure of any kind. Photo Eight shows the fuel tank in need of containment. A secondary containment structure needs to be installed to catch any spills from the tank. The Operator or the contractor shall either empty the tank, or install some form of secondary containment with 110% of the capacity of the tank. Photo documentation of the corrective

actions must be provided to the Division no later than October 31, 2025. Additionally, and in the same area, Four super sacks of Hydrated Lime, shown in Photo Nine. were observed to be outside and not on any containment structure. Hydrated Lime in large quantities is considered a hazardous substance and needs to be stored properly. The Operator or the contractor shall place the supersacks within some form of structure that protects it from the elements as well as provides secondary containment. Photo documentation of the corrective action must be provided to the Division no later than October 31, 2025.

The overall footprint of the site is in good condition and free from excessive trash and debris. All fuel and hazardous materials that are stored on site are in proper secondary containment. No signs of settling, slumping or erosion were noted during the inspection. No state listed noxious weeds are present on site. There are no problems or possible violations on site. All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety, Room 215, 1001 E 62nd Ave. Denver, CO 80216, by phone at 303-919-2997 or by email at lucas.west@state.co.us.

PHOTOGRAPHS

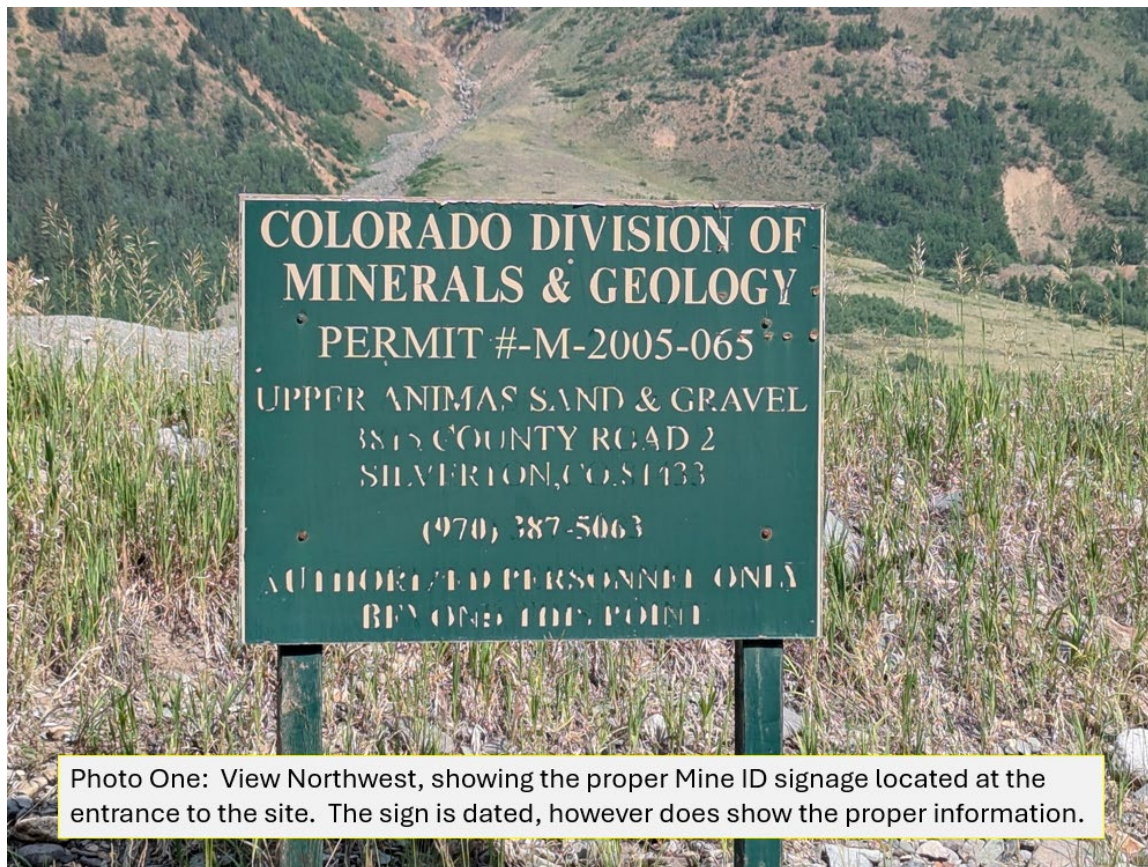


Photo One: View Northwest, showing the proper Mine ID signage located at the entrance to the site. The sign is dated, however does show the proper information.





Photo Four: View East, showing the Pit 2 area. Pit 1 is being mined to approximately 12-14 feet deep with near vertical highwalls around the perimeter.



Photo Five: View North, showing another view of the Pit 2 Area.



Photo Six: View southeast showing an example of the material stockpiles located on site. All stockpiles appeared stable at the time of the inspection.



Photo Seven: View Southeast, showing the processing equipment on site. All equipment seemed to be in good working order, however, were not operating the day of the inspection.



GENERAL INSPECTION TOPICS

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

(AR) RECORDS----- <u>N</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>Y</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>PB</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</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

Inspection Contact Address

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Silverton, CO 81433

Enclosure

CC: