

# 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:                          |                        | MINE/PROSPECTING ID#:           | MINERAL:                              | COUNTY:     |
|-------------------------------------|------------------------|---------------------------------|---------------------------------------|-------------|
| Burton Pit                          |                        | M-1987-013                      | Sand and gravel                       | Rio Grande  |
| INSPECTION TYPE:                    |                        | WEATHER: Clear                  | INSP. DATE:                           | INSP. TIME: |
| Monitoring                          |                        |                                 | August 25, 2025                       | 13:30       |
| OPERATOR:                           |                        | <b>OPERATOR REPRESENTATIVE:</b> | TYPE OF OPERATION:                    |             |
| Southway Construction Company, Inc. |                        | Jay Yeager & Darrell Ensz       | 112c - Construction Regular Operation |             |
| REASON FOR INSPECTION:              |                        | BOND CALCULATION TYPE:          | BOND AMOUNT:                          |             |
| Surety Related                      |                        |                                 | \$0.00                                |             |
| DATE OF COMPLAINT:                  |                        | POST INSP. CONTACTS:            | JOINT INSP. AGENCY:                   |             |
| NA                                  |                        | None                            | None                                  |             |
| INSPECTOR(S):                       | INSPECTOR'S SIGNATURE: |                                 | SIGNATURE DATE:                       |             |
| Todd Jesse                          |                        |                                 | September 4, 2025                     |             |
|                                     | Told Jesse             |                                 |                                       |             |

#### **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 Y           | (RD) ROADS <u>N</u>        |
|--|-------------------------------------|----------------------------|
| (HB) HYDROLOGIC BALANCE <u>Y</u>         | (BG) BACKFILL & GRADING <u>N</u>    | (EX) EXPLOSIVES N          |
| (PW) PROCESSING WASTE/TAILING N          | (SF) PROCESSING FACILITIES N        | (TS) TOPSOIL <u>N</u>      |
| (MP) GENL MINE PLAN COMPLIANCE- <u>Y</u> | (FW) FISH & WILDLIFE <u>N</u>       | (RV) REVEGETATION N        |
| (SM) SIGNS AND MARKERS <u>Y</u>          | (SP) STORM WATER MGT PLAN N         | (RS) RECL PLAN/COMP N      |
| (ES) OVERBURDEN/DEV. WASTE <u>N</u>      | (SC) EROSION/SEDIMENTATION <u>N</u> | (ST) STIPULATIONS <u>N</u> |
| (AT) ACID OR TOXIC MATERIALS N           | (OD) OFF-SITE DAMAGE <u>N</u>       |                            |

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

PERMIT #: M-1987-013 INSPECTOR'S INITIALS: TJ1 INSPECTION DATE: August 25, 2025

#### **OBSERVATIONS**

This inspection report was conducted as part of the succession of operator process established by the Colorado Division of Reclamation, Mining, and Safety's Active Mines Program to verify conditions in order to calculate an updated financial warranty. The Burton Pit is a 112c Operation operated by Southway Construction Company, Inc. and the Rio Grande Canal Water Users are the Prospective Successor. The site is located 1 mile northwest of Del Norte, CO at an elevation of approximately 7980 feet. Public access is controlled by a gate from CR 15. Jay Yeager and Darrell Ensz of Rio Grande Canal Water Users were present during the inspection. The sky was mostly partly sunny with temperatures in the 60s. The ground was dry despite storms in the area and the site was accessible.

#### Financial Warranty:

The permit area has recently been significantly reduced to only 2 acres. The Division currently requires a financial warranty of \$42,184.00. Bond calculations show that this amount is sufficient to complete reclamation on the permit area.

#### Hydrologic Balance:

No groundwater has been exposed withing the permit area. The Schuch & Schmidt Ditch runs within 200 feet of the eastern permit boundary. The canal is currently dry. No meteoric water was observed to be impounded within the permit area. No hydrocarbons are stored within the permit area and not evidence of spills were noted during the inspection.

### Gen. Compliance With Mine Plan:

No mining operations are occurring withing the permitted boundary. The permit area was recently reduced to 2 acres. There are historic mining areas in the site as stockpiles of material. The multiple stockpiles can be used as riprap material or crushed into smaller material.

#### Signs and Markers:

The boundary is marked by t-posts and fence line that are easily distinguishable. The new operator will create a new mine ID sign once the SO process if approved.

Photos that show site conditions are attached to the end of this 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 west of southern permit boundary.



Photo 2: View to the southeast of ditch that runs near the permit boundary.



Photo 3: View to the southwest of stockpile and historic mining area.



Photo 4: View to the north of the entrance to the site.

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Inspection Contact Address
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CC: Travis Marshall, DRMS