

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: |
|----------------------------------|---------------------------------|---------------------------------------|-------------|
| Una Pit | M-1980-080 | Sand and gravel | Garfield |
| INSPECTION TYPE: | INSPECTOR(S): | INSP. DATE: | INSP. TIME: |
| Monitoring | Dustin M. Czapla | November 15, 2011 | 10:00 |
| OPERATOR: | OPERATOR REPRESENTATIVE: | TYPE OF OPERATION: | |
| Grand Junction Concrete Pipe Co. | Ivan Geer | 112c - Construction Regular Operation | |
| | | | |
| REASON FOR INSPECTION: | BOND CALCULATION TYPE: | BOND AMOUNT: | |
| Normal I&E Program | Complete Bond | \$223,894.00 | |
| DATE OF COMPLAINT: | POST INSP. CONTACTS: | JOINT INSP. AGENCY: | |
| NA | None | None | |
| WEATHER: | INSPECTOR'S SIGNATURE: | SIGNATURE DATE: | |
| Cloudy | | November 21, 2011 | |

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.

1. **INSPECTION TOPIC:** Financial Warranty

PROBLEM/POSSIBLE VIOLATION: Problem: The financial warranty is not adequate to reclaim the site in accordance with the approved reclamation plan. This is a failure to maintain the proper financial warranty amount to complete reclamation of the affected lands pursuant to C.R.S. 34-32.5-117(4)(b) of the Act. **CORRECTIVE ACTIONS:** The operator shall submit adequate financial warranty, as determined by the Division. The Division will be sending a separate surety increase notice to the operator regarding the increase of the financial warranty. The operator will have 60 days from the date on the surety increase notice to post the additional financial warranty.

CORRECTIVE ACTION DUE DATE: 1/20/12

2. INSPECTION TOPIC: Gen. Compliance With Mine Plan

PROBLEM/POSSIBLE VIOLATION: Problem: The current mine plan needs to be updated and clarified pursuant to C.R.S. 34-32.5-112 (1)(c)(VI). The operator must provide sufficient information to describe or identify how the operator intends to conduct the operation.

CORRECTIVE ACTIONS: The operator shall submit a Technical Revision, with the required \$216 revision fee, to update and clarify the current approved mine plan to reflect existing and proposed activities by the corrective action date.

CORRECTIVE ACTION DUE DATE: 1/20/12

OBSERVATIONS

This inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Ivan Geer, representing the Operator, was present during this inspection. Photographs are included at the end of this report in order to illustrate some of the conditions observed during this inspection.

The Una Pit is located approximately 4.5 miles southwest of Parachute and accessed from CR300. The site is a 112c operation that includes a total of 162.1 permitted acres. The Division currently holds a financial warranty amount of \$223,894.00 for this site. The Division has reviewed the reclamation costs for this site and determined that the current financial warranty amount held is insufficient.

Adequate mine identification signage was noted at the entrance to the site in accordance with Rule 3.1.12(1).

The affected area was marked by fencing that was clearly visible and adequate to delineate the affected area boundary in accordance with Rule 3.1.12(1).

Two scales and two mobile scale houses were located near the site entrance at the west end of the property. Aggregate materials stockpiles were observed at various locations in the west and central parts of the permit area. Equipment, supplies, and refuse observed on site was stored in a manner that controls unsightliness and the deleterious effects of any refuse.

Fuel stored on site was adequately contained by two 10,000 gallon mobile containers, one located near the processing area and another located near the wash plant in the southwest portion of the permit area.

The current mining and reclamation plan for this site, which was updated in 1993 through TR1, calls for mining the site in 10 acre phases progressing northeasterly from the 14.4 acre pond located in the southwest portion of the permit area. Final reclamation is to result in a single lake with an island located in the northeast portion of the lake. The additional disturbance was to include a 21 acre plant and stockpile area located west of the lake. A Substitute Water Supply Plan, approved through SI2 in September 2010, limits the lake to a maximum size of 62 acres.

It was noted during this inspection that two additional ponds have been created north of the older pond. Only a portion of the smaller pond, approximately located at 39.397742°, -108.102696°, appears to fall within the mining area established through TR1. The larger pond lies partly within and north of the plant and stockpile area and does not appear to fall within the mining area established through TR1. The larger pond lies partly Slopes constructed around the three ponds did appear stable. It appears though, that the Mine Plan and/or Reclamation Plan will need to be revised in order for the operation to be compliant.

Some tamarisk was observed along the banks of the three ponds. The Operator incorporated a Noxious Weed Management Plan into the permit in June, 2005, through TR2. Staff strongly encourages the Operator to remain diligent in implementing noxious weed control measures at the site.

The active area of mining observed during this inspection was focused in the northeast portion of the site. Much of the highwall slopes outside of the active area of mining had been reclaimed to 3H:1V.

No other problems or violations were noted during this inspection.

Responses to this inspection report should be directed to Dustin Czapla at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 South 3rd Street, Room 301, Grand Junction, Colorado 81501, phone number (970) 243-6299.

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 PB | (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 Y | (TS) TOPSOIL <u>Y</u> |
| (MP) GENL MINE PLAN COMPLIANCE- <u>PB</u> | (FW) FISH & WILDLIFE <u>N</u> | (RV) REVEGETATION Y |
| (SM) SIGNS AND MARKERS <u>Y</u> | (SP) STORM WATER MGT PLAN <u>NA</u> | (SB) COMPLETE INSP <u>NA</u> |
| (ES) OVERBURDEN/DEV. WASTE <u>NA</u> | (SC) EROSION/SEDIMENTATION Y | (RS) RECL PLAN/COMP Y |
| (AT) ACID OR TOXIC MATERIALS Y | | (ST) STIPULATIONS <u>NA</u> |

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

Inspection Contact Address

Ivan Geer Grand Junction Concrete Pipe Co. P.O. Box 1849 Grand Junction, CO 81502

Enclosure: Technical Revision 1 Operator Submittal dated November 16, 1993









View toward northeast end of pit. Highwall reclamation was progressing from west to east. Stripping of overburden was occurring in the northeast portion of the pit, progressing easterly.



View toward northeast end of pit. Highwall reclamation was progressing from west to east. Stripping of overburden was occurring in the northeast portion of the pit, progressing easterly.



View facing east toward the island that is to remain in place as part of the approved mining/reclamation plan (TR2). An eagles nest was observed in one of the cottonwoods on the island.













Phase the mining operation into 8 phases of approximately 10 acres each. Mining would start adjacent to the existing pond and proceed in a northeasterly direction. A smaller operation would reduce the size of the area disturbed at any given time thus reducing the amount of the reclamation bond required. See Revised Exhibit "C". 3. Grand Junction Pipe & Supply Company 2865 Freeway East • P.O. Box 1849 • Grand Junction, Colorado 81502 • 303/243-4604 • FAX 303/241-6622 RECEIVED Reduce the amount of the reclamation bond from \$188,160.00 to \$78,000.00. This amount was determined by calculating reclamation costs November 16, 1993 4. TR-001 NOV 1 9 1993 Mr. Carl B. Mount Senior Reclamation Specialist Division of Minerals & Geology Enformation and a callog a. Reclaim the present 21 acre stockpile site. b. Reclaim the slopes on the existing pond. c. Reclamation costs for a additional 10 acre mining phase. Dept. of Natural Resources 1313 Sherman Street, Room 215 Denver, CO 80203 See Exhibit "L" for the breakdown of the above reclamation costs. RE: Permit No. M-80-080 The original reclamation cost of \$188,160.00 was estimated by the Division of Una Pit Highways based on the entit area being disurbed. Limiting the mining to 10 acre phases will provide an ample supply of gravel, approximately 480,000 tons, to last for several years based on the present market conditions in the area. We believe the Division would be well protected with a 78,000.00 bond, which provides for reclamation of the previously disturbed areas and an additional 10 acre of mining. Dear Mr. Mount: As you are aware, GJP succeeded the previous operator on June 1, 1993. The present reclamation bond on this pit is \$188,160.00. The area as it now exists consists of a 21 acre stockpile and plant site and a mined area of approximately 21 acres of which 14.4 acres is a pond Thank you for your consideration in this matter. Should you have any questions or need additional Information, please contact me. As noted in the Inspection Report dated March 3, 1992 the following items need to be addressed: GRAND JUNCTION PIPE & SUPPLY COMPANY Edward J. Settle, P. E. Remove processed material from site. Topsoll and seed stockpile i Rework side slopes of lake. Topsoll and seed stockpile area. Seed existing slopes. E]S/amb 5. Remove structures from site. The original permit was apparently amended in 1983 to expand the area from 96 to 162 acres. We are requesting a Technical Revision to accomplish the following:

- Leave the stockpile area in its original location. This will eliminate the need to discurb additional area and reduce the size of the stockpile site by 4 acres when this area is mined. See Revised Exhibit "C".
- Revise the Mining Plan reducing the size of the area to be mined from 124 acres to 103 acres. The reason for this is to move the mined area closer to the river reducing the amount of overburden to be removed and leaving a larger buffer zone between adjacent properties. See Revised Exhibit "C".

P1 7-24.94 NUV · NU

Exibit "L" Reclamation Cost Revision #2 - 11-15-93 Present Pit Area and Stockpile Area Stockpile Area -Remove Existing Gravel Piles -2500 C. Y. @ 2.50/C. Y. ----- \$ 6,250.00 Replace Topsoil - 20 Ac. @ 6" = 16,133 C. Y. 16,133 C. Y. @ 1.05/C. Y. ------ \$16,939.65 Soil Preparation -20 Acres @ 80.00/Ac. ----- \$ 1,600.00 Fertilizer -20 Acres © 250#/Ac. © 0.80/Lb. ------ \$ 4,000.00 Seeding -20 Acres © 15#/Ac. © 20.00/Lb. ------ \$ 6,000.00 \$34,789.65 Existing Pond - Flatten 1400 L. F. of Slopes to 3 to 1. Pump Pond ----- \$ 3,960.00 Reslope - Backhoe and Dozer 58 Hr. @ 200.00/hr. ----- \$11,600.00 Seed Slopes -6.5 Acres @ 750.00/Ac. ----- \$ 4,500.00 \$20,060.00 \$54,849.65 Subtotal Reclamation Costs for Additional 10 Acres of Pit 10 Acres of wet pit = 2700' @ 80% = 2160' of slope to Reclaim. Pump Pit ----- \$ 2,800.00 Reslope - Backhoe & Dozer 90 Hr. @ 200.00/hr. ----- \$18,000.00 Seed Slopes 3 Acres @ 750.00/Ac. ----- \$ 2,250.00 \$23.050.00 Total Reclamation Costs \$77,899.65 Say \$78,000.00

