




COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY
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: Martin Pit 1-A	MINE/PROSPECTING ID#: M-1990-140	MINERAL: Sand and gravel	COUNTY: Moffat
INSPECTION TYPE: Monitoring	INSPECTOR(S): Dustin M. Czaplá	INSP. DATE: March 27, 2012	INSP. TIME: 11:30
OPERATOR: Duran & Pearce Contractors, Inc.	OPERATOR REPRESENTATIVE: Derek Duran	TYPE OF OPERATION: 110c - Construction Limited Impact	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$5,000.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: April 2, 2012

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: 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: 6/01/12

OBSERVATIONS

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

The Martin Pit 1-A is located approximately 2.5 miles south of Craig and accessed from South Ranney Street. A gated access to the site is located off of South Ranney Street at approximately 40.484997°, -107.562495°. The permit area is located approximately 0.5 mile beyond this gate at 40.479166°, -107.560228°. The site is a 110c operation that includes a total of 9.3 permitted acres. The Division currently holds a financial warranty amount of \$5,000.00 for this site. The Division has reviewed the reclamation costs for this site, in order to ensure the financial warranty reflects the actual current cost of fulfilling the requirements of the Reclamation Plan, and determined that the current financial warranty amount is insufficient. The Operator will be notified under separate cover of a financial warranty increase.

Adequate mine identification signage was noted at the site.

The affected area was marked by t-posts that were clearly visible and adequate to delineate the affected area boundary. It appeared that most of the permitted area had been affected by the mine operation, but off-site disturbance was not noted during this inspection.

Asphalt and concrete fragments, old tires, old equipment and debris were observed in the western portion of the permit area. If the Operator intends to use any of the concrete or asphalt fragments for backfill material, than notice must be provided to the Division in accordance with Rule 3.1.5(9).

A pit was located in the south-central part of the permit area. The pit appeared to be approximately 1 acre in size. The south mine face of the pit was mostly vertical. Much of the remainder of the pit had been graded to 3H:1V or less. The approved Reclamation Plan for this site requires that all reclaimed slopes be no steeper than 4H:1V. The near vertical mine face along the south portion of the pit is near the south permit boundary, so reclamation costs will be calculated based on material volumes required for backfilling the slopes instead of for a cut and fill method.

Approximately one foot of water was observed in the excavated pit. This site is located on a ridge, so this water was likely collected from spring runoff and not groundwater. Seeps were not observed in the pit walls.

Topsoil stockpiles were located along the north permit boundary.

No 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.

PHOTOGRAPHS

Entrance to mine site.



Asphalt and concrete fragments, tires and other refuse located in west portion of permit area.



Asphalt and concrete fragments, tires and other refuse located in west portion of permit area.



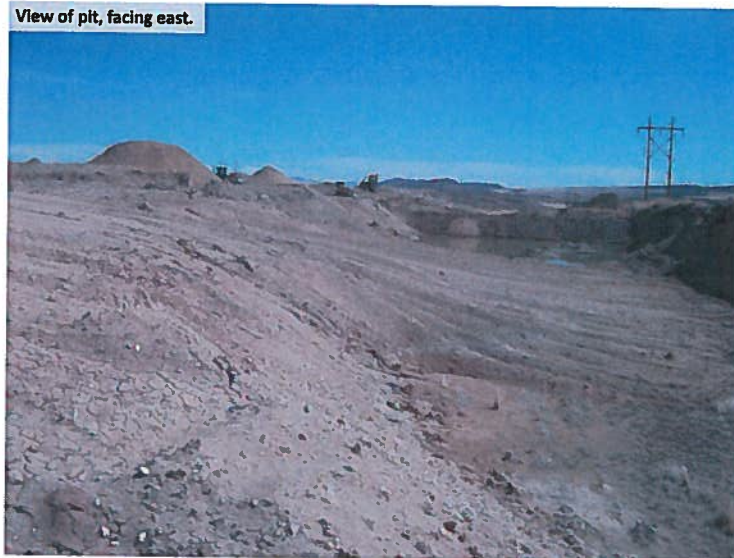
Old equipment and refuse located in west portion of permit area.



Refuse pile located in west portion of permit area.



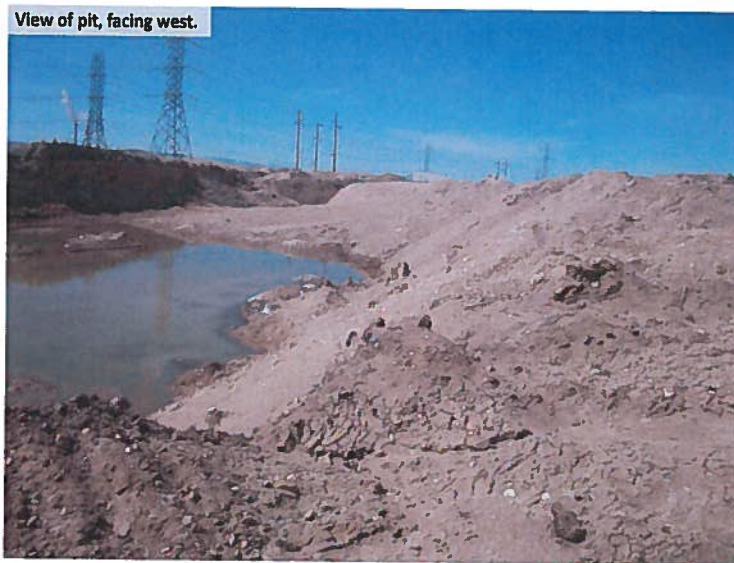
View of pit, facing east.



View of pit, facing west.



View of pit, facing west.



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

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Enclosure

CC: