




**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.

<b>MINE NAME:</b> Wand Pit	<b>MINE/PROSPECTING ID#:</b> M-2010-007	<b>MINERAL:</b> Sand and Gravel	<b>COUNTY:</b> Moffat
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Dustin M. Czapla	<b>INSP. DATE:</b> March 28, 2012	<b>INSP. TIME:</b> 11:00
<b>OPERATOR:</b> Northwest Aggregates, Inc.	<b>OPERATOR REPRESENTATIVE:</b> P.J. Nichols	<b>TYPE OF OPERATION:</b> 110c - Construction Limited Impact	

<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> Complete Bond	<b>BOND AMOUNT:</b> \$17,300.00
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> U.S. Corps. Of Engineers	<b>JOINT INSP. AGENCY:</b> None
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> April 11, 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:** 6/11/12

## **OBSERVATIONS**

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

The Wand Pit is located approximately 2 miles southeast of Craig and accessed from Hwy. 40 through the Northwest Aggregates, Inc. concrete plant. The site is a 110c operation that includes a total of 9.9 permitted acres. The Division currently holds a financial warranty amount of \$17,300.00 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 entrance to the site.

The affected area was adequately marked.

The Reclamation Permit for this site was issued in May, 2010. Mining has commenced at the site and is progressing northward from the southeast portion of the permit area. Highwalls observed during this inspection had been mined to approximately 2H:1V slopes as required by the approved Mining Plan. All slopes are to be reduced to no steeper than 3H:1V upon final reclamation. Gravel stockpiles were located in the north portion of the permit area.

The site is located adjacent to a cutbank on the west side of the Yampa River. During the spring runoff last year (2011), the Yampa River experienced unusually high flows. Mr. Baker stated, during this inspection, that approximately 5 feet of this cut bank was eroded during the runoff period. This has allowed the river to migrate laterally closer to the pit. The portion of the bank that was eroded was part of a 15 foot buffer that was to remain undisturbed by the mining operation. The Division is aware that the Operator has not disturbed this buffer area, but is concerned that continued erosion of this bank will create potential for significant sedimentation to the river and possible pit capture. Pursuant to the approved Mine Plan for this site, a 50 foot buffer is required to be maintained between the pit and the Yampa River. The 15 foot undisturbed area was included in the 50 foot buffer.

North of the permit area, along the same cutbank of the Yampa River, it was noted that Northwest Aggregates, Inc. had attempted to stabilize the bank with concrete poured over the bank. It was uncertain during this inspection whether this activity required Army Corp of Engineers (Corp) authorization, and if so whether Corp authorization had been granted. The Operator was informed that this type of bank stabilization activity within the permit area was not authorized by the Division at this time. Any plans to stabilize the river bank along the permit area boundary should be addressed through a permit revision.

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.

# **PHOTOGRAPHS**

Entrance to mine site located at 40.505352°, -107.504427°



View toward southwest corner of the site, from the east side of the pit.



View toward west part of the site, from the east side of the pit.



View toward the north along the east side of the pit.

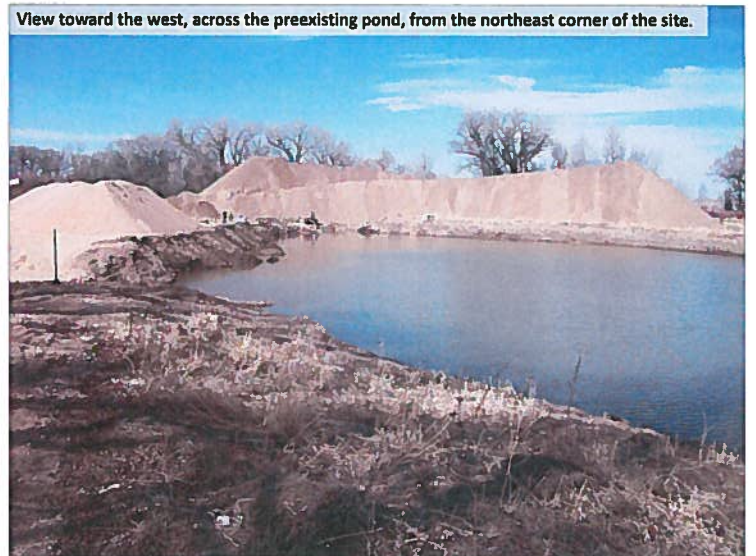




View toward the north, along the east side of the permit area.



View toward the west, across the preexisting pond, from the northeast corner of the site.



### 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>N</u>	(BG) BACKFILL & GRADING----- <u>N</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>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>N</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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