




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: Breeze Basin Sand & Gravel Pit	MINE/PROSPECTING ID#: M-2008-022	MINERAL: Sand and gravel	COUNTY: Moffat
INSPECTION TYPE: Monitoring	INSPECTOR(S): Dustin M. Czapl	INSP. DATE: March 28, 2012	INSP. TIME: 08:00
OPERATOR: 4B Land & Livestock LLC	OPERATOR REPRESENTATIVE: Gayle Lyman	TYPE OF OPERATION: 112c - Construction Regular Operation	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$41,321.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: April 16, 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: 6/15/12

OBSERVATIONS

This inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Gayle Lyman, 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 Breeze Basin Sand and Gravel site is located approximately 4 miles east of Craig and accessed from Hwy. 394 at approximately 40.498926°, -107.470365°. The site is a 112c operation that includes a total of 62 permitted acres. The Division currently holds a financial warranty amount of \$41,321.00 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 marked by fencing and t-posts that were clearly visible and adequate to delineate the affected area boundary.

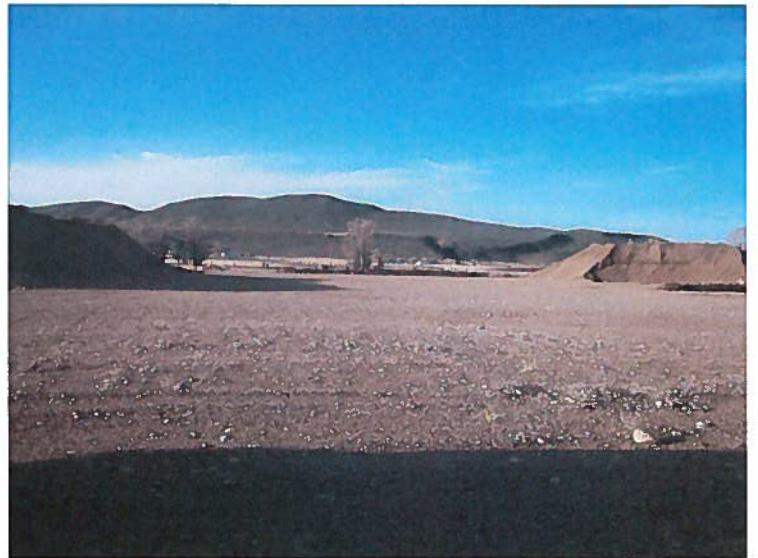
Mining at the site is progressing from north to south. All but the southern pit slope had been graded to approximately 3H:1V or less steep. The south pit slope had been mined at approximately 2H:1V. The pond area included approximately 6-7 acres during this inspection.

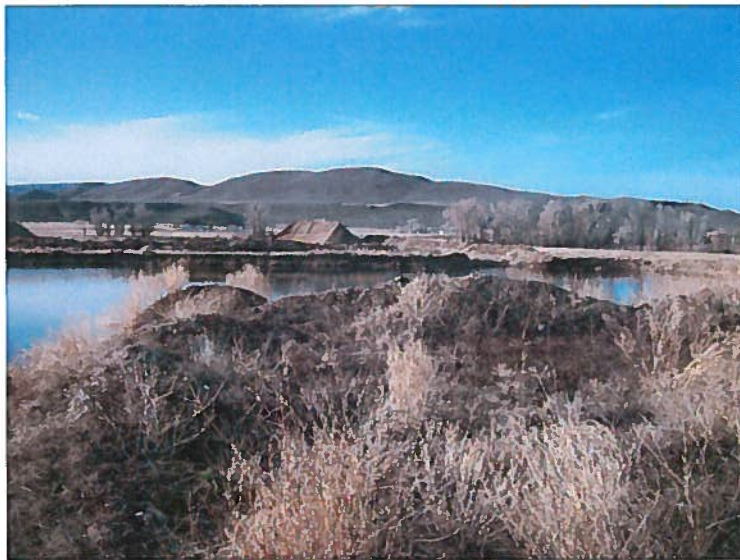
The stockpile/processing area located south of the pit included approximately 6-7 acres. Stable topsoil stockpiles were located around this area.

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





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>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

Scott Brennise
4B Land & Livestock LLC
5801 Highway 394
Craig, CO 81625

Enclosure

CC: Gayle Lyman, Elam Construction, Inc.