




**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> McNulty Cinder Pit	<b>MINE/PROSPECTING ID#:</b> M-1980-003	<b>COMMODITY:</b> Sand and gravel	<b>COUNTY:</b> Eagle
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Dustin Czapla	<b>INSP. DATE:</b> June 5, 2012	<b>INSP. TIME:</b> 1600
<b>OPERATOR:</b> Quarter Circle 8 LLLP	<b>OPERATOR REPRESENTATIVE:</b> Justin Helmer	<b>TYPE OF OPERATION:</b> 110c	
<b>REASON FOR INSPECTION:</b> Monitoring	<b>BOND CALCULATION TYPE:</b> Complete	<b>BOND AMOUNT:</b> \$ 23,000.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSPECTION AGENCY:</b> None	
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> June 12, 2012	

**GENERAL INSPECTION TOPICS**

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. Note: 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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>N</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>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

### **OBSERVATIONS**

This inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Justin Helmer, 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 McNulty Cinder Pit is located approximately 7 miles northeast of Carbondale and accessed from CR 122. The site is a 110c operation that includes a total of 9.3 permitted acres. The Division currently holds a financial warranty amount of \$23,000.00 for this site. The Division will review 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. The Operator will be notified under separate cover if the Division determines that the current financial warranty amount is insufficient.

Adequate mine identification signage was noted at the entrance to the site.

The affected area was marked by posts that were clearly visible and adequate to delineate the affected area boundary.

Mining is progressing in a northerly direction. Material stockpiles were located on the pit floor and in the west portion of the permit area. Adequate topsoil (growth medium) for reclamation was located above the highwall. Mining activity had been contained within the permit area. Some weeds were present on site, but it was apparent that they had recently been sprayed.

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 3<sup>rd</sup> Street, Room 301, Grand Junction, Colorado 81501, phone number (970) 243-6299.

### **Inspection and Enforcement Contact**

Sarah McNulty  
Cattle Creek Cinders LLC  
7747 CR 100  
Carbondale, CO  
81623

Cc: None

## PHOTOGRAPHS

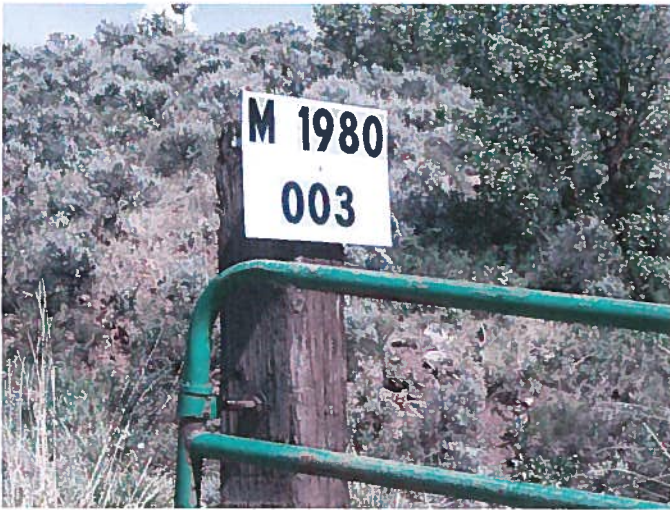


Figure 1: Mine I.D. sign located at site entrance.



Figure 2: View towards highwall from near office area.



Figure 3: View facing west from top of highwall.



Figure 4: View facing southwest from top of highwall.

## COST SUMMARY WORK

Site: McNulty Cinder Pit Permit Action: June 05, 2012 Permit/Job#: M1980003  
Inspection

### PROJECT IDENTIFICATION

Task #: 000 State: Colorado Abbreviation: None  
Date: 6/12/2012 County: Eagle Filename: M003-000  
User: DMC

Agency or organization name: DRMS

### TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
01a	HW slope reduction	DOZER	1	7.96	\$1,591.89
02a	Rip pit floor	RIPPER	1	12.12	\$2,585.00
03a	Spread growth medium	DOZER	1	5.19	\$1,037.98
04a	Revegetate disturbed area	REVEGE	1	10.00	\$8,841.38
05a	Mobilize reclamation crew and equipment	MOBILIZE	1	4.28	\$3,395.29
<b><u>SUBTOTALS:</u></b>				<b>39.55</b>	<b>\$17,451.54</b>

### INDIRECT COSTS

#### OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$352.52
Performance bond:	1.05	Total =	\$183.24
Job superintendent:	19.77	Total =	\$1,172.36
Profit:	10.00	Total =	\$1,745.15
		TOTAL O & P =	\$3,453.27
		CONTRACT AMOUNT (direct + O & P) =	\$20,904.81

#### LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	0.00	Total =	0.00
Engineering work and/or contract/bid preparation:	0.00	Total =	\$0.00
Reclamation management and/or administration:	5.00		\$1,045.24
CONTINGENCY:	0.00	Total =	\$0.00

TOTAL INDIRECT COST = \$4,498.51

TOTAL BOND AMOUNT (direct + indirect) = \$21,950.05