

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:	MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
Ready Mix Pit	M-1977-023	Sand and gravel	Gunnison
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring	Dustin M. Czapla	August 15, 2012	10:00
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Oldcastle SW Group, Inc. dba	Jason Burkey	112c - Construction Regular Operation	
United Companies of Mesa County			

REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:
Normal I&E Program	Complete Bond	\$115,814.00
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:
NA	None	None
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:
Clear		August 30, 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.

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(AR) RECORDS <u>Y</u>	(FN) FINANCIAL WARRANTY \underline{Y}	(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 N	(SF) PROCESSING FACILITIES \underline{Y}	(TS) TOPSOIL <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- Y	(FW) FISH & WILDLIFE <u>N</u>	(RV) REVEGETATION N
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN N	(SB) COMPLETE INSP Y
(ES) OVERBURDEN/DEV. WASTE <u>Y</u>	(SC) EROSION/SEDIMENTATION \underline{Y}	(RS) RECL PLAN/COMP Y
(AT) ACID OR TOXIC MATERIALS <u>Y</u>	(OD) OFF-SITE DAMAGE <u>NA</u>	(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

OBSERVATIONS

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

The Ready Mix Pit is located approximately one mile south of Gunnison and accessed from CR38. The site is a 112c operation that includes a total of 61.6 permitted acres. The Division currently holds a financial warranty amount of \$115,814.00 for this site. The Division will review the reclamation costs 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 batch plant area, on the northeast side of the permit area.

The affected area was marked by CR38 and fencing that was clearly visible and adequate to delineate the affected area boundary.

Active mining was not occurring during this inspection. Three mined out ponds, separated by dikes constructed of in-situ material, were located in the south and west part of the permit area. Final grading of the ponds banks was partially complete. Dewatering of the ponds will be necessary in order to remove the dikes and complete reclamation grading. Mining of a fourth pond has begun in the east part of the permit area. The remainder of the permit area is relatively flat and graveled. Most of the materials stockpiles are located in the area west of the batch plant. A topsoil stockpile was noted northwest of the ponds.

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



Figure 1: View from the north side of the current mining area, facing north toward the batch plant area.

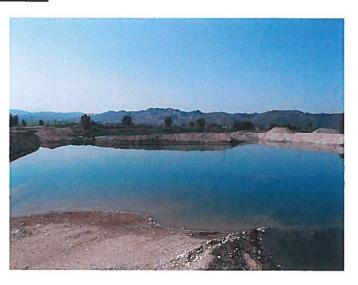


Figure 2: View, facing south, of the current mining area.



Figure 3: View, facing southwest, of the mined out southwest permit area.

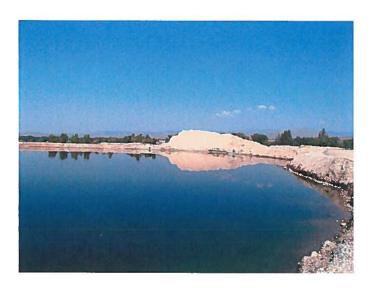


Figure 4: Topsoil stockpile located on the northwest side of the ponds.



Figure 5: View, facing north, of the stockpile area west of the batch plant.



Figure 6: View, facing north, of the stockpile area west of the batch plant.

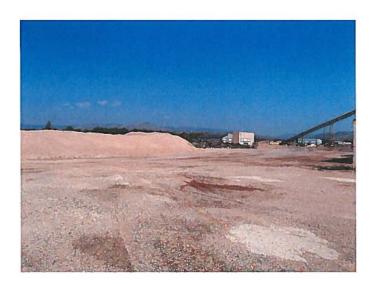


Figure 7: View, facing north, of the stockpile area west of the batch plant.



Figure 8: Shed located north of the ponds.

Inspection Contact Address

Jason Burkey Oldcastle SW Group, Inc. 2273 River Road Grand Junction, CO 81502