




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: Mott Gravel Pit	MINE/PROSPECTING ID#: M-1980-049	MINERAL: Sand and gravel	COUNTY: Montrose
INSPECTION TYPE: Monitoring	INSPECTOR(S): Travis H. Marshall	INSP. DATE: August 14, 2012	INSP. TIME: 13:30
OPERATOR: Donald R Hart	OPERATOR REPRESENTATIVE: Don Hart	TYPE OF OPERATION: 110c - Construction Limited Impact	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$4,684.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: September 10, 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 until October 26, 2012 to post the additional financial warranty.

CORRECTIVE ACTION DUE DATE: 10/26/12

INSPECTION TOPIC: Off-site Damage

PROBLEM/POSSIBLE VIOLATION: Possible Violation: Land has been affected outside of the approved permit boundary. This is a possible violation at this time pursuant to: 1.) C.R.S. 34-32.5-109(1) for failure to first obtain from the board or office a reclamation permit prior to engaging in a new operation. AND/OR 2.) C.R.S. 34-32.5-116(4)(i) for failure to protect areas outside of the affected land from slides or damages occurring during the mining operation. 2.) C.R.S. 34-32.5-116(4)(i) for failure to protect areas outside of the affected land from slides or damages occurring during the mining operation.

CORRECTIVE ACTIONS: This possible violation will require a hearing before the Mined Land Reclamation Board. The schedule and other details for the MLRB hearing will be provided under a separate document to be sent via certified mail to the operator.

CORRECTIVE ACTION DUE DATE: 10/26/12

OBSERVATIONS

This inspection was conducted as part of the normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety (DRMS). Don Hart (Operator) was present during the inspection. In 2009 the Division approved an amendment to the permit area increasing the permit to 9.74 acres however, the required additional bond was not posted within the required 365 days from the amendment approval and therefore the amendment is not effective.

The area of disturbance was measured during the inspection with a Trimble Juno 3B GPS unit. The actual disturbance during the inspection was 6.15 acres. The Mott Pit is a currently approved for 5.42 acres of disturbance. Due to the required additional bond not being placed with the Division implemented and the amendment not actually effective the disturbance is considered outside of the permitted area.

The Division believes this is in violation of the Colorado Land Reclamation Act for the Extraction of Construction Materials, C.R.S. 34-32.5-101 et. seq., and specifically 34-32.5-116(4)(i) and Rule 3.1.5 (3) of the Construction Materials Rules and Regulations (Rules), for failure to protect areas outside the affected lands from slides or damage occurring during the mining operation and reclamation. A hearing is scheduled to address this issue before the Mined Land Reclamation Board on November 14~15, 2012. Notice of the hearing will be mailed under separate cover.

The corrective action for the possible violation will be to post the required additional bond amount of \$11,701.70 and ask the board to re-approve the amendment application. Therefore as part of the amendment process a public notice of the proposed amendment will need to be run in a local newspaper to meet the requirements of Rule 1.6.2(1)(d) thru 1.6.2(1)(g). Proof of publication and posting of the additional required bond amount must be submitted to the DRMS Grand Junction Field Office no later than October 26, 2012.

Please see enclosed reclamation cost estimate and notify DRMS staff immediately if any errors exist.

If you have any questions regarding this inspection report please contact me at (970) 241-2042.

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

Inspection Contact Address

Don Hart
Donald R Hart
3500 Clear Fork Rd.
Crawford, CO 81415

Enclosure

CC:

COST SUMMARY WORK

Task description: Cost Summary

Site: Mott Gravel Pit Permit Action: Reclamation Cost update AM-1 Permit/Job#: M1980049

PROJECT IDENTIFICATION

Task #: 001 State: Colorado Abbreviation: None
Date: 9/10/2012 County: Montrose Filename: M049-001
User: THM

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
01a	Reduce slopes to 3H:1V	DOZER	1	14.02	\$2,313.23
02a	Distribute 12" topsoil over 2.05 acres	DOZER	1	4.61	\$760.11
03a	Revegetation of 2.05 acres	REVEGE	1	16.00	\$3,260.87
04a	Mobilization	MOBILIZE	1	3.60	\$2,833.45
<u>SUBTOTALS:</u>				38.23	\$ \$9,167.66

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$185.19
Performance bond:	1.05	Total =	\$96.26
Job superintendent:	0.00	Total =	\$0.00
Profit:	10.00	Total =	\$916.77
		TOTAL O & P =	\$1,198.22
		CONTRACT AMOUNT (direct + O & P) =	\$10,365.88

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	<u>500.00</u>	Total =	<u>500.00</u>
Engineering work and/or contract/bid preparation:	<u>0.00</u>	Total =	<u>\$0.00</u>
Reclamation management and/or administration:	<u>5.41</u>		<u>\$560.79</u>
CONTINGENCY: 3.00		Total =	<u>\$275.03</u>
		TOTAL INDIRECT COST =	<u>\$2,534.04</u>
		TOTAL BOND AMOUNT (direct + indirect) =	<u>\$11,701.70</u>

BULLDOZER WORKTask description: Reduce slopes to 3H:1VSite: Mott Gravel PitPermit Action: Reclamation Cost
update AM-1Permit/Job#: M1980049**PROJECT IDENTIFICATION**Task #: 01AState: ColoradoAbbreviation: NoneDate: 9/10/2012County: MontroseFilename: M049-01aUser: THMAgency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D7R DS Series II LGPHorsepower: 238Blade Type: StraightAttachment: NAShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	\$46.30	NA
Operating Cost/Hour:	\$80.25	100
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$38.49	NA

Total unit Cost/Hour: \$165.04Total Fleet Cost/Hour: \$165.04**MATERIAL QUANTITIES**Initial Volume: 4,000Swell factor: 1.090Loose volume: 4,360 LCYSource of estimated volume: Division of Reclamation, Mining & SafetySource of estimated swell factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 70 feetUnadjusted hourly production: 613.3 LCY/hrMaterials consistency description: Dry, non-cohesive 0.8Average push gradient: -15 %Average site altitude: 6,960 feetMaterial weight: 2,400 lbs/LCYWeight description: Clay and gravel - Dry**Job Condition Correction Factor**

		<u>Source</u>
Operator Skill:	0.750	(AVG.)
Material consistency:	0.800	(CAT HB)

Dozing method:	1.000	(GEN.)
Visibility:	1.000	(AVG.)
Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.800	(FND-RF)
Push gradient:	1.329	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.958	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.5072

Adjusted unit production: 311.07 LCY/hr

Adjusted fleet production: 311.07 LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)

Unit cost: \$0.531/LCY

Total job time: 14.02 Hours

Total job cost: \$2,313.23

BULLDOZER WORKTask description: Distribute 12" topsoil over 2.05 acresSite: Mott Gravel PitPermit Action: Reclamation Cost
update AM-1Permit/Job#: M1980049**PROJECT IDENTIFICATION**Task #: 02AState: ColoradoAbbreviation: NoneDate: 9/10/2012County: MontroseFilename: M049-02aUser: THMAgency or organization name: DRMS**HOURLY EQUIPMENT COST**Basic Machine: Cat D7R DS Series II LGPHorsepower: 238Blade Type: StraightAttachment: NAShift Basis: 1 per dayData Source: (CRG)**Cost Breakdown:**

		<u>Utilization %</u>
Ownership Cost/Hour:	\$46.30	NA
Operating Cost/Hour:	\$80.25	100
Ripper op. Cost/Hour:	\$0.00	0
Operator Cost/Hour:	\$38.49	NA

Total unit Cost/Hour: \$165.04Total Fleet Cost/Hour: \$165.04**MATERIAL QUANTITIES**Initial Volume: 3,226Swell factor: 1.000Loose volume: 3,226 LCYSource of estimated volume: Division of Reclamation, Mining & SafetySource of estimated swell factor: Cat Handbook**HOURLY PRODUCTION**Average push distance: 70 feetUnadjusted hourly production: 613.3 LCY/hrMaterials consistency description: Loose stockpile 1.2Average push gradient: -15 %Average site altitude: 6,960 feetMaterial weight: 1,600 lbs/LCYWeight description: Top Soil**Job Condition Correction Factor**

		<u>Source</u>
Operator Skill:	0.750	(AVG.)
Material consistency:	1.200	(CAT HB)

Dozing method:	1.000	(GEN.)
Visibility:	1.000	(AVG.)
Job efficiency:	0.830	(1 SHIFT/DAY)
Spoil pile:	0.800	(FND-RF)
Push gradient:	1.329	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	1.438	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 1.1421

Adjusted unit production: 700.45 LCY/hr

Adjusted fleet production: **700.45** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)
 Unit cost: \$0.236/LCY

Total job time: **4.61** Hours
 Total job cost: **\$760.11**

REVEGETATION WORKTask description: Revegetation of 2.05 acresSite: Mott Gravel PitPermit Action: Reclamation Cost
update AM-1Permit/Job#: M1980049**PROJECT IDENTIFICATION**Task #: 03A
Date: 9/10/2012
User: THMState: Colorado
County: MontroseAbbreviation: None
Filename: M049-03aAgency or organization name: DRMS**FERTILIZING****Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
8-32-16, 16-20-0	100.00	pound	\$0.32	\$32.00
			Total Fertilizer Materials Cost/Acre	\$32.00

Application

Description	Cost /Acre
Tractor towed spreader (MEANS 32 01 90.13 0120)	\$50.09
Total Fertilizer Application Cost/Acre	\$50.09

TILLING

Description	Cost /Acre
Disc harrowing, 6" deep (MEANS 32 91 13.23 6100)	\$92.35
Weed control spraying (MEANS 31 31 16.13 3100)	\$145.20
Total Tilling Cost/Acre	\$237.55

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Crested Wheatgrass - Fairway	1.60	7.35	\$3.79
Russian Wildrye - Bozoisky	2.60	10.45	\$15.89
Alfalfa - NK Spredor 3 (creeping)	1.00	4.82	\$2.50
Pubescent Wheatgrass - Luna	4.60	9.50	\$10.07
Western Wheatgrass - Arriba	1.60	4.04	\$5.76
Rabbitbrush, Rubber	0.60	8.94	\$21.50
Saltbush, Four Wing	0.50	0.69	\$5.25
Totals Seed Mix	12.50	45.79	\$64.76

Application

Description	Cost /Acre
Drill seeding (MEANS 32 92 19.13 0020)	\$382.00
Total Seed Application Cost/Acre	\$382.00

MULCHING and MISCELLANEOUS

Materials

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
Straw, delivered {MEANS 31 25 14.16 1200}	1.00	TON	\$164.00	\$164.00
Total Mulch Materials Cost/Acre				\$164.00

Application

Description	Cost /Acre
Crimping, with tractor (DMG survey data)	\$65.89
Power mulcher (MEANS 32 91 13.16 0250)	\$79.71
Weed spray, truck, non-aquatic area, nox. [DMG]	\$60.19
Total Mulch Application Cost/Acre	\$205.79

NURSERY STOCK PLANTING

Common Name	No / Acre	Type and Size	Planting Cost	Fertilizer Pellet Cost	Cost /Acre
					\$
Totals Nursery Stock Cost / Acre					\$0.00

JOB TIME AND COST

No. of Acres:	2.05	Cost /Acre:	\$1,136.19
Estimated Failure Rate:	40%	Cost /Acre*:	\$1,136.19
*Selected Replanting Work Items:	FERTILIZING,TILLING,SEEDING,MU LCHING		
Initial Job Cost:	\$2,329.19		
Reseeding Job Cost:	\$931.68		
Total Job Cost:	\$3,260.87		
Job Hours:	16.00		

EQUIPMENT MOBILIZATION/DEMOBILIZATIONTask description: **Mobilization**

Site: **Mott Gravel Pit** Permit Action: **Reclamation Cost update AM-1** Permit/Job#: **M1980049**

PROJECT IDENTIFICATION

Task #: **04A** State: **Colorado** Abbreviation: **None**
 Date: **9/10/2012** County: **Montrose** Filename: **M049-04a**
 User: **THM**

Agency or organization name: **DRMS****EQUIPMENT TRANSPORT RIG COST**

Shift basis: **1 per day**
 Cost Data Source: **CRG Data**

Truck Tractor Description: **GENERIC ON-HIGHWAY TRUCK TRACTOR, 6X4, DIESEL POWERED, 400 HP (2ND HALF, 2006)**Truck Trailer Description: **GENERIC FOLDING GOOSENECK, DROP DECK EQUIPMENT TRAILER (25T, 50T, AND 100T)****Cost Breakdown:**

Available Rig Capacities	0-25 Tons	26-50 Tons	51+ Tons
Ownership Cost/Hour:	\$16.63	\$18.37	\$22.33
Operating Cost/Hour:	\$44.38	\$46.13	\$50.07
Operator Cost/Hour:	\$27.66	\$27.66	\$27.66
Helper Cost/Hour:	\$0.00	\$25.39	\$25.39
Total Unit Cost/Hour:	\$88.67	\$117.55	\$125.45

NON ROADABLE EQUIPMENT:

Machine Description	Weight/ Unit (TONS)	Owner ship Cost/hr/ unit	Haul Rig Cost/hr/unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet	DOT Permit Cost/ fleet
Cat D7R DS Series II LGP	34.57	\$46.30	\$117.55	1	\$163.85	\$117.55	\$250.00
Drill/Broadcast Seeder with Tractor	25.00	\$39.59	\$88.67	1	\$128.26	\$88.67	\$250.00
Power Mulcher (Reinco M90)	6.00	\$7.03	\$88.67	1	\$95.70	\$88.67	\$250.00

Subtotals: **\$387.81** **\$294.89** **\$750.00**

ROADABLE EQUIPMENT:

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
Light Duty Pickup, 4x4, 3/4 T.	\$14.59	1	\$14.59	\$14.59

Subtotals: **\$14.59** **\$14.59**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	<u>HOTCHKISS</u>	
Total one-way travel distance:	<u>16.00</u>	miles
Average Travel Speed:	<u>40.00</u>	mph

Total Non-Roadable Mob/Demob Cost *	<u>\$2,821.78</u>
** two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	<u>\$11.67</u>
** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	<u>0.40</u>	<u>0.40</u>
Return Time (Hours):	<u>0.40</u>	<u>0.40</u>
Loading Time (Hours):	<u>0.50</u>	<u>NA</u>
Unloading Time (Hours):	<u>0.50</u>	<u>NA</u>
Subtotals:	<u>1.80</u>	<u>0.80</u>

JOB TIME AND COST

Total job time:	<u>3.60</u>	Hours
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Total job cost:	<u>\$2,833.45</u>
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