



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: Rivera's Excavation Gravel Pit	MINE/PROSPECTING ID#: M-2004-053	MINERAL: Gravel	COUNTY: Costilla
INSPECTION TYPE: Monitoring	INSPECTOR(S): Wallace H. Erickson	INSP. DATE: January 18, 2013	INSP. TIME: 15:20
OPERATOR: Rivera's Excavation	OPERATOR REPRESENTATIVE: None	TYPE OF OPERATION: 110c - Construction Limited Impact	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$6,160.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Cloudy	INSPECTOR'S SIGNATURE: <i>Wallace H. Erickson</i>	SIGNATURE DATE: January 29, 2013

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.

GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(AR) RECORDS----- <u>NA</u>	(FN) FINANCIAL WARRANTY----- PB	(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>NA</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- PB	(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>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</u>	(OD) OFF-SITE DAMAGE----- <u>Y</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 TOPIC: Financial Warranty

PROBLEM: The Division has reviewed the current cost of reclamation totaling \$8,219.31. Therefore, the existing \$6,160 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 Construction Materials Act.

CORRECTIVE ACTIONS: Pursuant to Construction Materials Rule 4.2.1(2), the Operator shall submit adequate financial warranty, totaling not less than \$8,219.31, within 60 days, due March 28, 2013.

CORRECTIVE ACTION DUE DATE: March 28, 2013

INSPECTION TOPIC: Signs & Markers

PROBLEM: The mine identification sign was not posted at the entrance of the mine site. This is a problem for failure to post a mine identification sign as required by Construction Materials Rule 3.1.12(1).

CORRECTIVE ACTIONS: The operator shall post a sign at the entrance of the mine site, clearly visible from the access road, which displays the following minimum information: the name of the operator, a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board, and the permit number. The operator shall submit photo documentation that a proper sign has been posted by the corrective action date.

CORRECTIVE ACTION DUE DATE: March 28, 2013

OBSERVATIONS

This inspection occurred as part of the Division's routine monitoring program for permitted operations. The permit is approved for 9.5 acres affected land for the extraction of construction materials. The mining plan is phased in 2-acre increments with contemporaneous reclamation occurring as the mining progresses from one phase to the next. Affected lands will be reclaimed to support rangeland post-mining land use. The Division holds \$6,160 financial warranty. This report is accompanied by five photographs and an updated reclamation cost estimation totaling \$8,219.31.

Mining activities were dormant during the inspection. On-site equipment was limited to a mobile crusher with conveyors and a grizzly. As shown in the photographs, the highwalls of the pit have been maintained at 2H:1V, or less steep, with the exception of some of the slopes located along the south side of the pit area. Affected land was estimated at 2.5 acres.

Copy of the temporary notice, required under Rule 1.6.2(1)(b) and intended to inform the public of the proposed permit application, was posted at the mine entrance. The notice did not display the information required under Rule 3.1.12(1), as required for all permitted operations, and does not satisfy the Operator's obligation to comply with Rule 3.1.12(1). The Operator is required to post an appropriate sign in accordance with Rule 3.1.12(1) and send photographic evidence of the newly posted sign to the Division, due March 28, 2013.

The Division last reviewed the cost of reclamation on October 25, 2004. Therefore, an updated reclamation cost estimation addressing current site conditions and current cost for fuel and labor is warranted. The Division has reviewed the current cost of reclamation totaling \$8,219.31. Therefore, the existing \$6,160 financial warranty appears insufficient to complete reclamation of affected lands. Pursuant to Rule 4.2.1(2), the Operator has 60 days, due March 28, 2013, to post \$2,059.31 additional financial warranty, to ensure a

total financial warranty not less than \$8,219.31, or complete portions of the reclamation plan and thereby ensure the sufficiency of the existing financial warranty.

Response to this inspection report should be addressed to Wally Erickson at the Division's office in Durango at 691 County Road 233, Suite A-2, Durango, CO 81301, phone (970) 247-5469.

Inspection Contact Address

Eleuto J. Rivera
Rivera's Excavation
P.O. Box 24
Amalia, NM 87512

Attachment: Certificate of Service

Enclosure: 5 photos;
Reclamation cost estimation totaling \$8,219.31

ec w/enclosure: Russ Means, DRMS GJFO

Certificate of Service

I, Wallace H. Erickson, hereby certify that on this 29th day of January, 2013, placed a complete copy of the forgoing inspection report generated from the January 18, 2013 inspection of Rivera's Excavation Gravel Pit, Permit No. M-2004-053, with enclosures, in the US Mail, postage affixed, addressed to the following individual:

Eleuto J. Rivera
Rivera's Excavation
P.O. Box 24
Amalia, NM 87512

 1/29/13

Rivera's Excavation Gravel Pit
M-2004-053
January 18, 2013



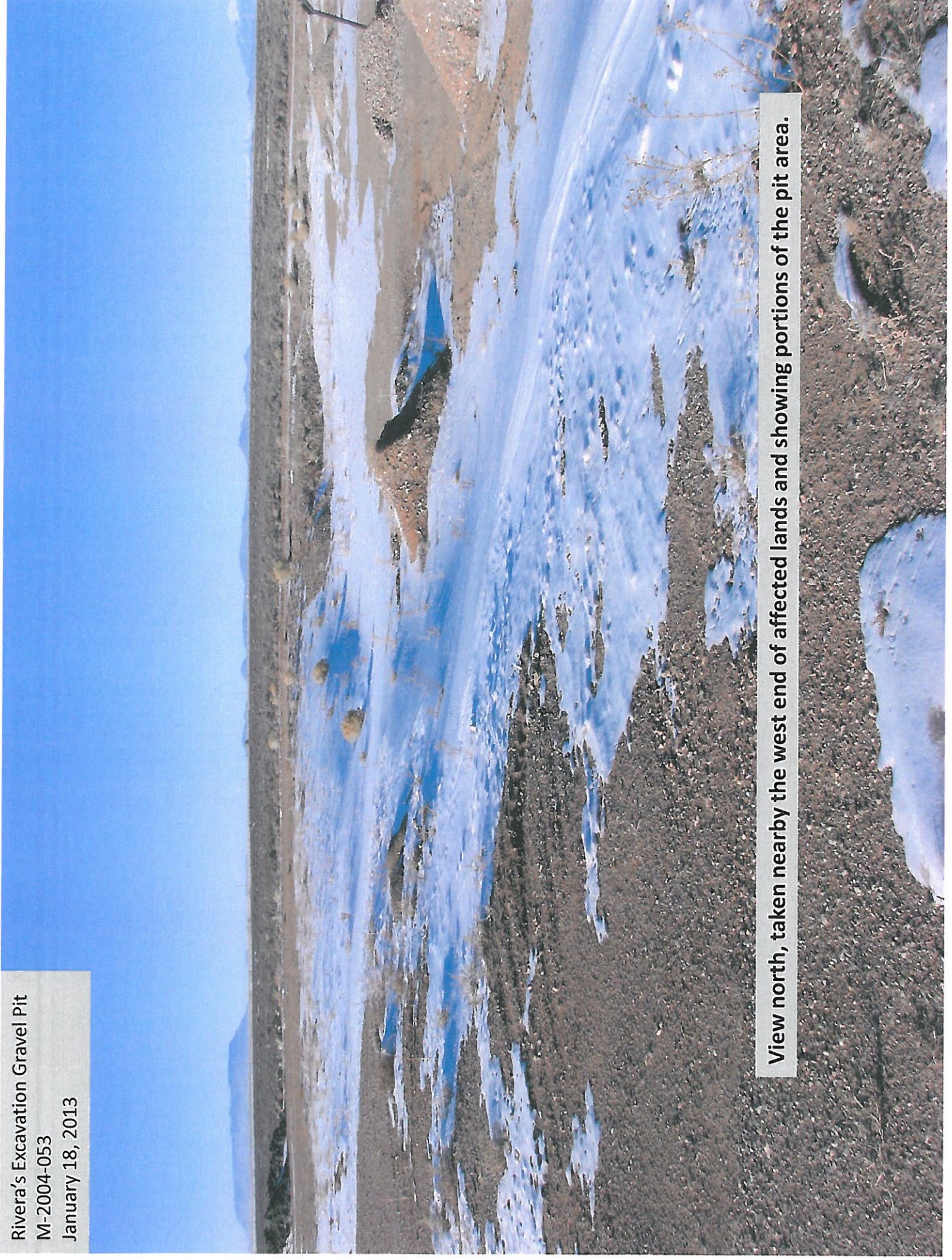
Copy of the public notice, required under Rule 1.6.2(1)(b) and intended to inform the public of the proposed permit application, was posted at the mine entrance. The notice was dated June 18, 2004. However, pursuant to Rule 3.1.12(1), once the permit is issued the Operator is required to post a mine identification sign which affirms that a permit has been issued. The notice posted at the mine site does not provide the information required under Rule 3.1.12(1) and does not satisfy the Operator's obligation to properly identify the operation.

Rivera's Excavation Gravel Pit
M-2004-053
January 18, 2013



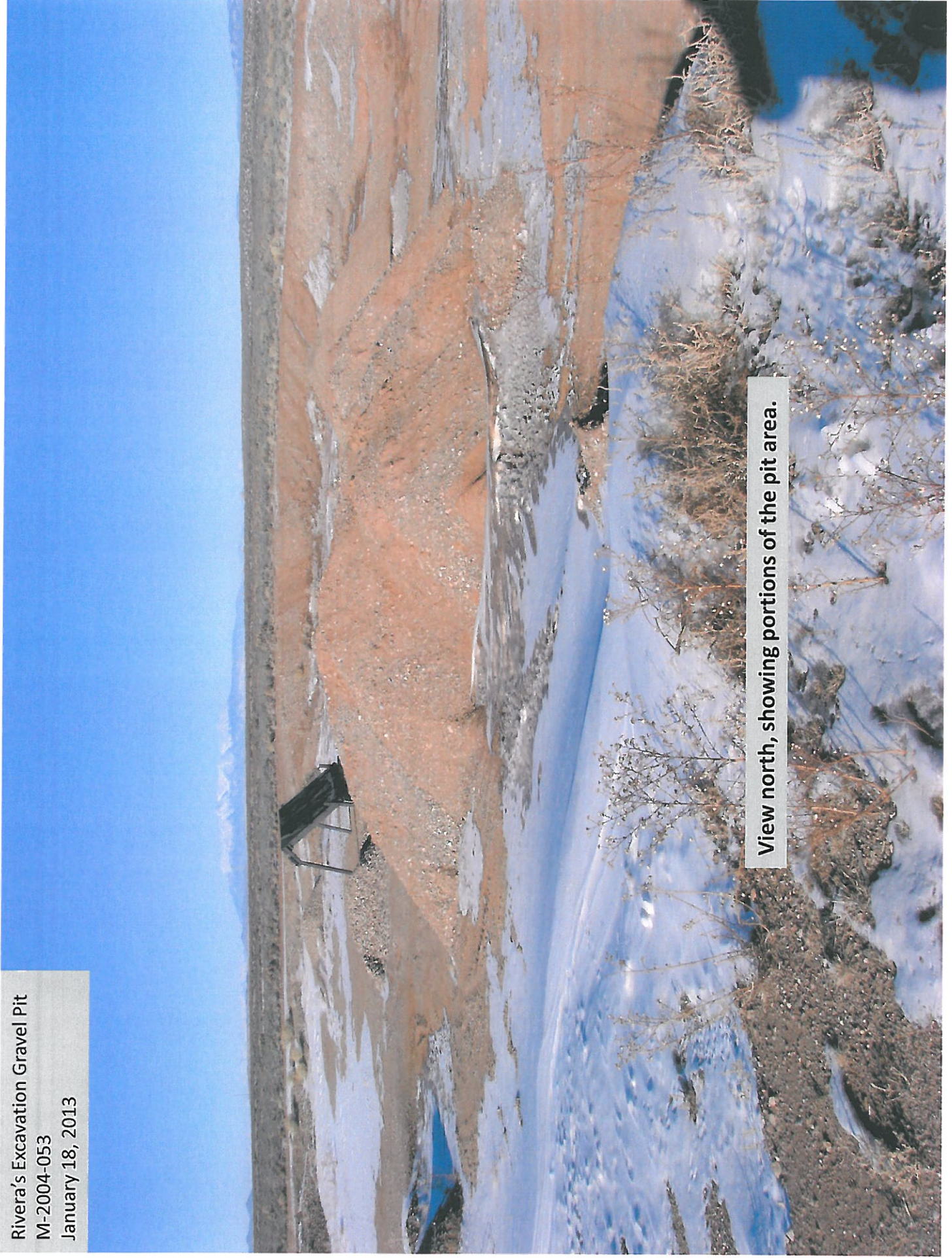
View northeast, taken from the south end of affected lands. On-site equipment was limited to a mobile crusher with conveyor, located at the south end of the pit area, and a screen for sorting oversized materials, located within the pit.

Rivera's Excavation Gravel Pit
M-2004-053
January 18, 2013



View north, taken nearby the west end of affected lands and showing portions of the pit area.

Rivera's Excavation Gravel Pit
M-2004-053
January 18, 2013



View north, showing portions of the pit area.

Rivera's Excavation Gravel Pit
M-2004-053
January 18, 2013



View northeast, showing portions of the pit area.

COST SUMMARY WORK

Task description: Summary of cost of reclamation tasks

Riveras Excavation Gravel
Site: Pit

Permit Action:
Routine update

Permit/Job#: M2004053

PROJECT IDENTIFICATION

Task #: 000
Date: 1/29/2013
User: WHE

State: Colorado
County: Costilla

Abbreviation: None
Filename: M053-000

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	General grading & ripping, prepare for topsoil replacement	DOZER	1	5.10	\$1,050.81
002	Topsoil replacement	DOZER	1	6.91	\$1,416.17
003	Revegetate affected lands	REVEGE	1	8.00	\$1,318.41
004	Haul reclamation equipment to and from job site	MOBILIZE	1	4.00	\$3,137.67
<u>SUBTOTALS:</u>				24.01	\$ \$6,923.06

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance: 2.02
Performance bond: 1.05
Job superintendent: 0.00
Profit: 10.00

Total = \$139.85
Total = \$72.69
Total = \$0.00
Total = \$692.31

TOTAL O & P = \$904.85

CONTRACT AMOUNT (direct + O & P) = \$7,827.91

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): 0.00
Engineering work and/or contract/bid preparation: 0.00
Reclamation management and/or administration: 5.00

Total = 0.00
Total = \$0.00
\$391.40

CONTINGENCY: 0.00

Total = \$0.00

TOTAL INDIRECT COST = \$1,296.25

TOTAL BOND AMOUNT (direct + indirect) = \$8,219.31

BULLDOZER WORKTask description: General grading & ripping, prepare for topsoil replacementSite: Rivera's Excavation Gravel
PitPermit Action: Routine updatePermit/Job#: M2004053PROJECT IDENTIFICATIONTask #: 001
Date: 1/29/2013
User: WHEState: Colorado
County: CostillaAbbreviation: None
Filename: M053-001Agency or organization name: DRMSHOURLY EQUIPMENT COSTBasic Machine: Cat D8T - 8U
Horsepower: 310
Blade Type: Universal
Attachment: 3-shank ripper
Shift Basis: 1 per day
Data Source: (CRG)Cost Breakdown:

		<u>Utilization %</u>
Ownership Cost/Hour:	\$63.00	NA
Operating Cost/Hour:	\$104.06	100
Ripper op. Cost/Hour:	\$1.63	25
Operator Cost/Hour:	\$37.41	NA

Total unit Cost/Hour: \$206.11
Total Fleet Cost/Hour: \$206.11MATERIAL QUANTITIESInitial Volume: 3,227
Swell factor: 1.000
Loose volume: 3,227 LCYSource of estimated volume: (2ac)(43560sf/ac)(1'D) / 27 = 3226.67 cy
Source of estimated swell factor: NAHOURLY PRODUCTIONAverage push distance: 50 feet
Unadjusted hourly production: 1,627.0 LCY/hrMaterials consistency description: Compacted fill or embankment 0.9Average push gradient: 0 %
Average site altitude: 7,550 feetMaterial weight: 2,650 lbs/LCYWeight description: Decomposed rock - 25% Rock, 75% EarthJob Condition Correction Factor

		<u>Source</u>
Operator Skill:	0.750	(AVG.)
Material consistency:	0.900	(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:	1.000	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.868	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.3890

Adjusted unit production: 632.90 LCY/hr

Adjusted fleet production: **632.9** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)
Unit cost: \$0.326/LCY

Total job time: **5.10** Hours
Total job cost: **\$1,050.81**

BULLDOZER WORKTask description: Topsoil replacementSite: Rivera's Excavation Gravel PitPermit Action: Routine updatePermit/Job#: M2004053PROJECT IDENTIFICATIONTask #: 002
Date: 1/29/2013
User: WHEState: Colorado
County: CostillaAbbreviation: None
Filename: M053-002Agency or organization name: DRMSHOURLY EQUIPMENT COSTBasic Machine: Cat D8T - 8U
Horsepower: 310
Blade Type: Universal
Attachment: 3-shank ripper
Shift Basis: 1 per day
Data Source: (CRG)Cost Breakdown:

		<u>Utilization %</u>
Ownership Cost/Hour:	\$63.00	NA
Operating Cost/Hour:	\$104.06	100
Ripper op. Cost/Hour:	\$0.33	5
Operator Cost/Hour:	\$37.41	NA

Total unit Cost/Hour: \$204.81
Total Fleet Cost/Hour: \$204.81MATERIAL QUANTITIESInitial Volume: 3,227
Swell factor: 1.000
Loose volume: 3,227 LCYSource of estimated volume: (2ac)(43560sf/ac)(1'D) / 27 = 3226.67 cy
Source of estimated swell factor: NAHOURLY PRODUCTIONAverage push distance: 100 feet
Unadjusted hourly production: 931.6 LCY/hrMaterials consistency description: Consolidated stockpile 1.0Average push gradient: -5 %
Average site altitude: 7,550 feetMaterial weight: 2,550 lbs/LCYWeight description: Earth - Dry packedJob Condition Correction Factor

		<u>Source</u>
Operator Skill:	0.750	(AVG.)
Material consistency:	1.000	(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:	1.115	(CAT HB)
Altitude:	1.000	(CAT HB)
Material Weight:	0.902	(CAT HB)
Blade type:	1.000	(PAT)

Net correction: 0.5009

Adjusted unit production: 466.64 LCY/hr
Adjusted fleet production: **466.64** LCY/hr

JOB TIME AND COST

Fleet size: 1 Dozer(s)
Unit cost: \$0.439/LCY

Total job time: **6.91** Hours
Total job cost: **\$1,416.17**

REVEGETATION WORKTask description: Revegetate affected landsSite: Rivera's Excavation Gravel
PitPermit Action: Routine updatePermit/Job#: M2004053PROJECT IDENTIFICATIONTask #: 003
Date: 1/29/2013
User: WHEState: Colorado
County: CostillaAbbreviation: None
Filename: M053-003Agency or organization name: DRMSFERTILIZINGMaterials

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
			\$	\$
			Total Fertilizer Materials Cost/Acre	\$0.00

Application

Description	Cost /Acre
	\$
Total Fertilizer Application Cost/Acre	\$0.00

TILLING

Description	Cost /Acre
Disc harrowing, 6" deep (MEANS 32 91 13.23 6100)	\$98.01
Total Tilling Cost/Acre	\$98.01

SEEDING

Seed Mix	Rate – PLS LBS / Acre	Seeds per SQ. FT	Cost /Acre
Sand Dropseed	0.15	17.91	\$1.05
Crested Wheatgrass - Fairway	4.00	18.37	\$9.68
Crested Wheatgrass - Standard	4.00	18.37	\$8.88
Pubescent Wheatgrass - VNS	9.00	18.60	\$17.73
Streambank Wheatgrass - Sodar	6.00	19.56	\$25.26
Totals Seed Mix	23.15	92.79	\$62.60

Application

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Description	Cost /Acre
Broadcast seeding [DMG]	\$261.28
Total Seed Application Cost/Acre	\$261.28

MULCHING and MISCELLANEOUS**Materials**

Description	Units / Acre	Unit	Cost / Unit	Cost /Acre
			\$	\$
Total Mulch Materials Cost/Acre				\$0.00

Application

Description	Cost /Acre
	\$
Total Mulch Application Cost/Acre	\$0.00

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:	2.5	Cost /Acre:	\$421.89
Estimated Failure Rate:	25%	Cost /Acre*:	\$421.89
*Selected Replanting Work Items:	TILLING, SEEDING		

Initial Job Cost:	\$1,054.73
Reseeding Job Cost:	\$263.68
Total Job Cost:	\$1,318.41
Job Hours:	8.00

EQUIPMENT MOBILIZATION/DEMobilIZATIONTask description: Haul reclamation equipment to and from job siteSite: Rivera's Excavation Gravel
PitPermit Action: Routine updatePermit/Job#: M2004053**PROJECT IDENTIFICATION**Task #: 004State: ColoradoAbbreviation: NoneDate: 1/29/2013County: CostillaFilename: M053-004User: WHEAgency or organization name: DRMS**EQUIPMENT TRANSPORT RIG COST**Shift basis: 1 per day
Cost Data Source: CRG DataTruck 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 D8T - 8U	53.70	\$63.00	\$125.45	1	\$188.45	\$125.45	\$250.00
Drill/Broadcast Seeder with Tractor	25.00	\$39.59	\$88.67	2	\$256.51	\$177.34	\$500.00

Subtotals: **\$444.96** **\$302.79** **\$750.00****ROADABLE EQUIPMENT:**

Machine Description	Total Cost/hr/ unit	Fleet Size	Haul Trip Cost/hr/ fleet	Return Trip Cost/hr/ fleet
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Subtotals: **\$0.00** **\$0.00**

EQUIPMENT HAUL DISTANCE and Time

Nearest Major City or Town within project area region:	ANTONITO	
Total one-way travel distance:	25.00	miles
Average Travel Speed:	50.00	mph

Total Non-Roadable Mob/Demob Cost *	\$3,137.67
* two round trips with haul rig:	
Total Roadable Mob/Demob Cost **	\$0.00
** one round trip, no haul rig:	

Transportation Cycle Time:

	Non-Roadable Equipment	Roadable Equipment
Haul Time (Hours):	0.50	0.50
Return Time (Hours):	0.50	0.50
Loading Time (Hours):	0.50	NA
Unloading Time (Hours):	0.50	NA
Subtotals:	2.00	1.00

JOB TIME AND COST

Total job time: 4.00 Hours

Total job cost: \$3,137.67