

STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

1313 Sherman St., Room 215

Denver, Colorado 80203

Phone: (303) 866-3567

FAX: (303) 832-8106



January 30, 2013

Casey McClellan
McStone Aggregates, LLC
P.O. Box 1525
Dolores, CO 81323

John W. Hickenlooper
Governor

Mike King
Executive Director

Loretta E. Piñeda
Director

**RE: Delinquent Annual Report and Map; Compliance with Rule 1.15,
Section 34-32.5-116(3)(a) C.R.S., and Permit Conditions;
Hay Camp Pit, Permit No. M-1990-025**

Dear Mr. McClellan:

On April 2, 2012, the Division issued its request for the annual fee and report, to be completed by the Operator and returned to the Division by the anniversary date of the permit, by May 22, 2012. Please find enclosed copy of the Division's correspondence dated April 2, 2012, with the annual report form as issued by the Office.

On or about April 26, 2012, the Division received payment for the annual fee for the Hay Camp Pit in the amount of \$791. Thank you for the payment. Please find enclosed copy of receipt number 12795, dated April 26, 2012.

On or about June 25, 2012, the Division received an inappropriate annual report form, signed by the Operator on June 22, 2012, and an inappropriate map. Copies of these documents are enclosed for your reference. The map did not comply with the basic map requirements of Rule 6.2.1(2)(b), (d) and (e), and cannot be accepted by the Division. The annual report form did not comply with the requirements of Rule 1.15(1), and cannot be accepted by the Division.

Therefore, the Division has not received an appropriate annual report and map, due May 22, 2012, and the Operator appears delinquent in its obligation to comply with the requirements of Section 34-32.5-116(3)(a) C.R.S., and Rule 1.15.

Please complete the appropriate annual report form, previously issued by the Office on April 2, 2012, and return the completed form with an appropriate map to the Division within 30 days, by **March 4, 2013**. Failure to comply will result in the Division pursuing enforcement action and civil penalties against the Operator.

The Construction Materials Act and Rules may be accessed through the Division's web site, www.mining.state.co.us. Copy of the appropriate annual report form, issued by the Office, as well as all permit documents of the public file may also be accessed through the Division's web site.

Please contact me at the Division's office in Durango at 691 County Road 233, Suite A-2, Durango, CO 81301, phone (970) 247-5469, if you have any questions.

Sincerely,



Wallace H. Erickson
Environmental Protection Specialist

Enclosure: 1) Correspondence from the Division, dated April 2, 2012;
 2) Receipt No. 12795, dated April 26, 2012;
 3) Correspondence from the Operator, dated June 22, 2012

Ec w/enclosure: Russ Means, DRMS GJFO

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John W. Hickenlooper
Governor

Mike King
Executive Director

Loretta E. Pineda
Director

April 2, 2012

Casey McClellan
Four States Aggregates - McStone Aggregates
P.O. Box 1525
200 4th Street Street
Dolores, CO 81323

Hay Camp Pit, Permit M-1990-025, Annual Fee Invoice and Report Request

PLEASE READ CAREFULLY – ACTION REQUIRED

Please attach your COMPLETED written Annual Report and Annual Report Map to this form

Under the terms of your NOI or Reclamation Permit and Colorado Statutes, you must submit Annual Fees and Annual Reports (including a map). You must pay the Annual Fee and submit an Annual Report each year until reclamation responsibility release is granted. The Annual Fee is not a renewal fee. The Fee and Report are for LAST YEAR'S mining and reclamation season, and MUST be paid even if your operation was inactive.

The Annual Report and Fee requirement will be considered submitted when we have received the following components:

1. **APPROPRIATE ANNUAL FEE**
2. **COMPLETED ANNUAL REPORT**
3. **ASSOCIATED MAP as required by rule**

If you have requested reclamation responsibility release from the Division of Reclamation, Mining and Safety ("Division") but your permit is not released by the anniversary date listed below, the Annual Fee MUST be paid. If the permit is released before the anniversary date, then by Statute, it is not necessary to pay an Annual Fee or submit an Annual Report for that year.

Division records indicate the \$791.00 fee is due for the following:

Permit: M-1990-025
Operation Name: Hay Camp Pit
Anniversary Date: May 22, 2012
Total Fee Due: \$791.00 (Due on or before your Anniversary Date)

Return the enclosed Annual Report FORM, a MAP, and a CHECK or MONEY ORDER made payable to: Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. If your records indicate these documents and fees have already been submitted, please notify the Division.

If you have additional comments and/or information that should be provided to the Division, please provide it below or attach it to this form along with your written report and map. Annual Report instructions are enclosed. If you have any questions, please feel free to contact Jim Dupler (303)866-3567 x8132 or Christine Brookshire (303)866-3567 x8132. Thank you for your cooperation in this matter.

IF THE ANNUAL FEE SUBMITTALS ARE NOT RECEIVED ON OR BEFORE YOUR ANNIVERSARY DATE, THE ENFORCEMENT PROCESS WILL AUTOMATICALLY BE INITIATED. ENFORCEMENT ACTIONS MAY RESULT IN CIVIL PENALTIES AND/OR REVOCATION OF YOUR PERMIT.

112c Annual Report

Permittee Name:	Four States Aggregates - McStone Aggregates	Permit Number:	M-1990-025
Operation Name:	Hay Camp Pit	County:	Montezuma
Annual Fee Due:	\$791.00	Anniversary Date:	May 22, 2012
Permit Acreage:	376.30	Current Bond Amt:	\$168,615.00

According to C.R.S. 34-32.5-116 or 34-32-116, each year, on the anniversary date of the permit, an operator shall submit the Annual Fee, an Annual Report and Map showing the extent of current disturbances to affected land, required monitoring information, reclamation accomplished to date and during the preceding year, any new disturbance that is anticipated to occur during the upcoming year, any reclamation that will be performed during the upcoming year, the dates for the beginning of active operations, and the date active operations ceased for the year.

Information contained in this report will be reviewed by the Division upon receipt and prior to the next compliance inspection of the site. If, while completing this report, you learn that your site is not in compliance with the rules and the act, it is advisable that the issues be rectified promptly to avoid possible enforcement action.

1. Is the site identification sign posted in accordance with Rule 3.1.12(1). YES NO
2. Is the affected area boundary clearly marked in accordance with Rule 3.1.12(2). YES NO
3. Is the mine site in final reclamation (all material extraction and stockpile removal is complete)? YES NO
If "YES," please note time limits related to completion of reclamation, Rule 3.1.3.
4. What was the date of last excavation, processing or hauling activity at the mine? _____
5. Does the mine operate more than 180 days per year? YES NO
If "NO", please review Rule 1.13 to assure that your mine is in compliance.
6. Has this mine been granted: YES NO
a) approval of TEMPORARY CESSATION Status? YES NO
b) approval for INTERMITTENT OPERATION?
7. Number of acres currently affected (mining + incomplete and or unreleased reclamation). _____
8. Number of acres that were newly affected during the current report year. _____
9. Number of acres that were reclaimed during the current report year. _____
10. Estimated new acreage to be affected in the next report year. _____
11. Estimated acres to be reclaimed in the next report year. _____

12. **Total acres** in various stages of reclamation, since permitted mining activities began:

Total acres backfilled:		Total acres seeded w/ approved mix:		Total acres w/topsoil replaced:		Total acres mulched w/ approved mulch:	
Total acres graded:		Total acres fertilized w/ apvd fertilizer:		Topsoil replacement depth (in.):		Mulch application rate (tons/ac):	
Seed application method:		Fertilizer application method:		Mulch application method:			

13. Is weed control being conducted in accordance with an approved Weed Control Plan? YES NO N/A
If "YES", indicate the weed species, control area, control type, application rate and treatment date on the report map.
14. Is adequate topsoil reserved for reclamation, based on your approved permit? YES NO N/A
If "NO", please explain:
15. Is the reserved topsoil vegetated/stabilized in accordance with Rule 3.1.9(1)? YES NO N/A
If "NO" please explain:
16. If mining has exposed groundwater, is the site in compliance with the approved mining plan and Office of the State Engineer (Well Permit, S.W.S.P., and/or Permanent Augmentation Plan)? YES NO N/A
17. Are all hazardous materials stored within approved spill containment structures? YES NO N/A
18. Is your financial warranty value sufficient to cover the cost to complete reclamation? YES NO N/A
19. Is your basis for legal right to enter still valid? YES NO
20. Does your permit require you to submit monitoring information annually? YES NO N/A
If "Yes", please attach the required monitoring results to this Annual Report.
21. As required by rule, attach a map to this report that accurately depicts the permit boundary, current affected area boundary and location of the acreages specified in items 7- 12 and 14. UPDATED MAP ATTACHED: _____

Division records indicate the following permittee contact information. If this information is not current, please type or print **current** contact information:

Permittee Contact:	Casey McClellan	
Permittee Company:	Four States Aggregates - McStone Aggregates	
Address:	P.O. Box 1525 200 4th Street Street Dolores, CO 81323	
Phone Number:	(970) 882-7878	
Fax Number:		
Email Address:	CF.PR.email	

I, the undersigned, hereby state that the information provided in this report is true and accurate, and that site operations are being conducted in accordance with the Division approved mining and reclamation plans.

Signature of Permittee, Corporate Officer, Owner, or Documented Designee

Date

Division of Reclamation, Mining, and Safety

Fee Receipt for M1990025

Four States Aggreagates - McStone Aggregat

000000000

Receipt #: 12795

Date: 04/26/2012

Permit: M1990025

Payment Method	Revenue Code	Fee Description/Notes	Amount
4663 jwd	4300-01	Minerals Annual Fees ✓ M-1990-025	\$791.00
Receipt Total:			\$791.00

ANNUAL FEE and REPORT REQUEST

PERMITTEE NAME: **McStone Aggregates, LLC**
PERMIT NO.: **M-1990-025**
OPERATION NAME: **Hay Camp Pit**
ANNIVERSARY DATE: **May 22, 2012**
ANNUAL FEE DUE: **\$791.00 (Due on or before your anniversary date)**
COUNTY: **Montezuma**

According to C.R.S. 34-32.5-116 or C.R.S. 34-32-116, each year, on the anniversary date of the permit, an operator shall submit the annual fee, a report and map showing the extent of current disturbances to affected land, reclamation accomplished to date and during the preceding year, new disturbances that are anticipated to occur during the upcoming year, reclamation that will be performed during the coming year, the dates for the beginning of active operations, and the date active operations ceased for the year, if any.

Please attach your revised written annual report and annual report map to this form. The Annual Report & Fee requirement is not met until we have received the following components: fee, report, and associated map. If no new disturbances or reclamation have occurred during the previous year and no new changes to the previous year's map are necessary, then no new map is required, provided that the Operator shall state this in the Annual Report. Please note that an adequately labeled map that clearly delineates and includes the above elements may suffice for a written report.

Division records indicate the following permittee contact information. Please verify and make any necessary changes:

Permittee Contact: Casey N. McClellan or
Nathan A. Barton
Permittee Name: McStone Aggregates, LLC
Address: P.O Box 1525
Dolores, CO 81323

Phone Number: (970) 882-7878
Fax Number: (970) 882-3888
E-mail Address: caseymcclellan@msn.com

If you have additional comments and/or information that should be provided to the Division, please provide it below or attach it to this form along with your written report and map. Annual Report instructions are enclosed.

Casey N. McClellan
Signature of Corporate Officer, Owner, or Designee

22 June 2012
Date

Attachments:
☒ Map (with notes)
☐ Written report
☐ Other:

Nathan A. Barton

Nathan A. Barton, PE, DEE, CO-27342

Parcel #3 — Undisturbed, PROPOSED AMENDMENT: Zone A — Possibly to be Removed from Permit
Final release requested B & C to release D — Zone B — Possibly to be Added to Permit
Zone C — Possible Buffer Area

Reclaimed/Released (87.0 A)

Undisturbed and requesting release (33.1)

Reseeded, waiting for growth (18.5)

Areas to final grade, need topsoil (opns ongoing) (22.9)

Areas with ongoing operations (17.2)

Areas newly disturbed 2008 (grubbed/cleared) (17.4)

Areas (max) which may be disturbed 2010-12 (8.5)

Undisturbed areas through next reporting period

No disturbance expected.

Parcel #5
2.2 A

North

0 500 1000

Parcel #1
0.6A

Final release requested A

Already released

Zone A

Parcel #8

Parcel #9

Parcel #10

Parcel #11

Zone B

Zone C

Back from
ment structures (you it)

Four States Aggregates LLC
PO Box 1525 Dolores, CO 81323
(970) 565-2603
mcstone.agg@msn.com

MAP SOURCE
Moness map, DMG files, USGS
Aerial photography 28OCT08

Drawn by NAB

24 MAY 2012

Check by NAB

MAP TITLE
2012 ANNUAL
REPORT

CHANGES IN 2011-2012.

Scale: As shown
Legend: As shown

North

M-1990-025 Hoy Camp Pit (Combined)
Status as of 31 MAY 2012

Prepared by WASTE LINE, INC. for McStone Aggregates LLC

NOTES AND COMMENTS ATTACHED TO 2012 ANNUAL REPORT FOR HAY CAMP PIT
(COMBINED) M-1990-025

1. Although there has been no substantial change in affected lands since the 2011 annual report, a report map is submitted that shows both current affected, reclaimed, released, etc. lands as of 31 May 2012, and also shows potential permit amendment changes being considered for 2012, pending County review.
2. We do intend to submit an application for a permit amendment in the next month or two, which may include changes in affected lands and the permit boundary. This will be discussed before actual submittal; please consider this report to be our notice of intent.
3. No formal request was made for reclamation release of land in 2011; we are planning to submit a separate request for reclamation release of the lands as indicated, in 2012. This is dependent on County review and weather conditions. Extremely dry conditions in the late Winter and Spring of 2012 have had detrimental effects on vegetation in the area.
4. In the 2011-12 permit year, Montezuma County Road Department extracted and shipped approximately 250,000 tons of material; McStone Aggregates extracted and shipped approximately 60,000 tons of material.
5. Weed control, fire protection, storm water, and other plans have been updated as of May 2012, and will be submitted as needed with the permit amendment application.

Nathan A Barton

Digitally signed by Nathan A Barton
DN: cn=Nathan A Barton, o=WASTELINE, INC.,
ou=CE, PE, DEE, email=Wasteline6@aol.com, c=US
Date: 2012.06.22 08:49:30 -06'00'