

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



February 4, 2013

Southway Construction Company, Inc.

Roy Burtraw

117 White Pine Drive

Alamosa, CO 81101

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;
Costilla Pit, Permit No. M-1987-040**

Dear Mr. Burtraw:

On April 2, 2012, the Division issued its request for the annual fee and report for the above referenced permit, to be completed by the Operator and returned to the Division by the anniversary date of the permit, due May 21, 2012. Please find enclosed copy of the Division's correspondence dated April 2, 2012, with the annual report form as issued by the Office. The Division issued its second and final notice for the annual report and fee on June 1, 2012.

On June 13, 2012, the Division received payment for the annual fee for the Costilla Pit in the amount of \$323. Thank you for the payment. Please find enclosed copy of receipt number 13117, dated June 14, 2012.

The payment was accompanied by copy of the Division's final notice, dated June 1, 2012, and a sketch map of the operation. The sketch map appears to have been copied from the original permit application and was not updated to illustrate current site conditions. Copies of these documents are enclosed for your reference.

The payment was not accompanied by the annual report form, previously issued by the Office. Additionally, the sketch map did not comply with the basic map requirements of Rule 6.2.1(2), and did not illustrate current site conditions, as required under Section 34-32.5-116(3)(a) C.R.S.

Therefore, the Division has not received the appropriate annual report and map, due May 21, 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 and updated map illustrating current

site conditions to the Division within 30 days, by **March 6, 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. 13117, dated June 14, 2012;
 3) Correspondence from the Operator, received June 13, 2012

Ec w/enclosure: Russ Means, DRMS GJFO

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John W. Hickenlooper
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Mike King
Executive Director

Loretta E. Pineda
Director

April 2, 2012

Ralph Martinez
Southway Construction Company, Inc.
117 White Pine Dr
Alamosa, CO 81101

Costilla Pit, Permit M-1987-040, 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 \$323.00 fee is due for the following:

Permit:	M-1987-040
Operation Name:	Costilla Pit
Anniversary Date:	May 21, 2012
Total Fee Due:	\$323.00 (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.

110c Annual Report

Permittee Name:	Southway Construction Company, Inc.	Permit Number:	M-1987-040
Operation Name:	Costilla Pit	County:	Costilla
Annual Fee Due:	\$323.00	Anniversary Date:	May 21, 2012
Permit Acreage:	9.70	Current Bond Amt:	\$16,942.00

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:	Ralph Martinez	
Permittee Company:	Southway Construction Company, Inc.	
Address:	117 White Pine Dr Alamosa, CO 81101	
Phone Number:	(719) 589-5103	
Fax Number:	(719) 589-5522	
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 M1987040

Southway Construction Company, Inc.

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Receipt #: 13117

Date: 06/14/2012

Permit: M1987040

Payment Method	Revenue Code	Fee Description/Notes	Amount
13140	4300-01	Minerals Annual Fees M-1987-040, CMB	\$323.00
Receipt Total:			\$323.00

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Department of Natural Resources

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WHE



June 1, 2012

Southway Construction Company, Inc.
117 White Pine Dr
Alamosa, CO 81101

RECEIVED

JUN 13 2012

Division of Reclamation,
Mining & Safety

FINAL NOTICE

Please be advised that according to records of the Division of Reclamation, Mining and Safety (the "Division") the annual fee and report listed below is past due.

The Division **must** receive all fees due accompanied by an adequate report no later than 5 p.m. on **July 1, 2012**, or a Notice of Violation, Cease and Desist Order from ALL mining related activities, Civil Penalties equal to the amount of the annual fee due, and a Notice of Formal Public Hearing before the Mined Land Reclamation Board for consideration of POSSIBLE PERMIT REVOCATION AND FINANCIAL WARRANTY FORFEITURE will be issued for this account.

Please be aware that no permits for new mining operations shall be granted to any operator who is currently found to be in violation in this state (C.R.S. 34-32-120 or C.R.S. 34-32.5-120). The Annual Report and 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.

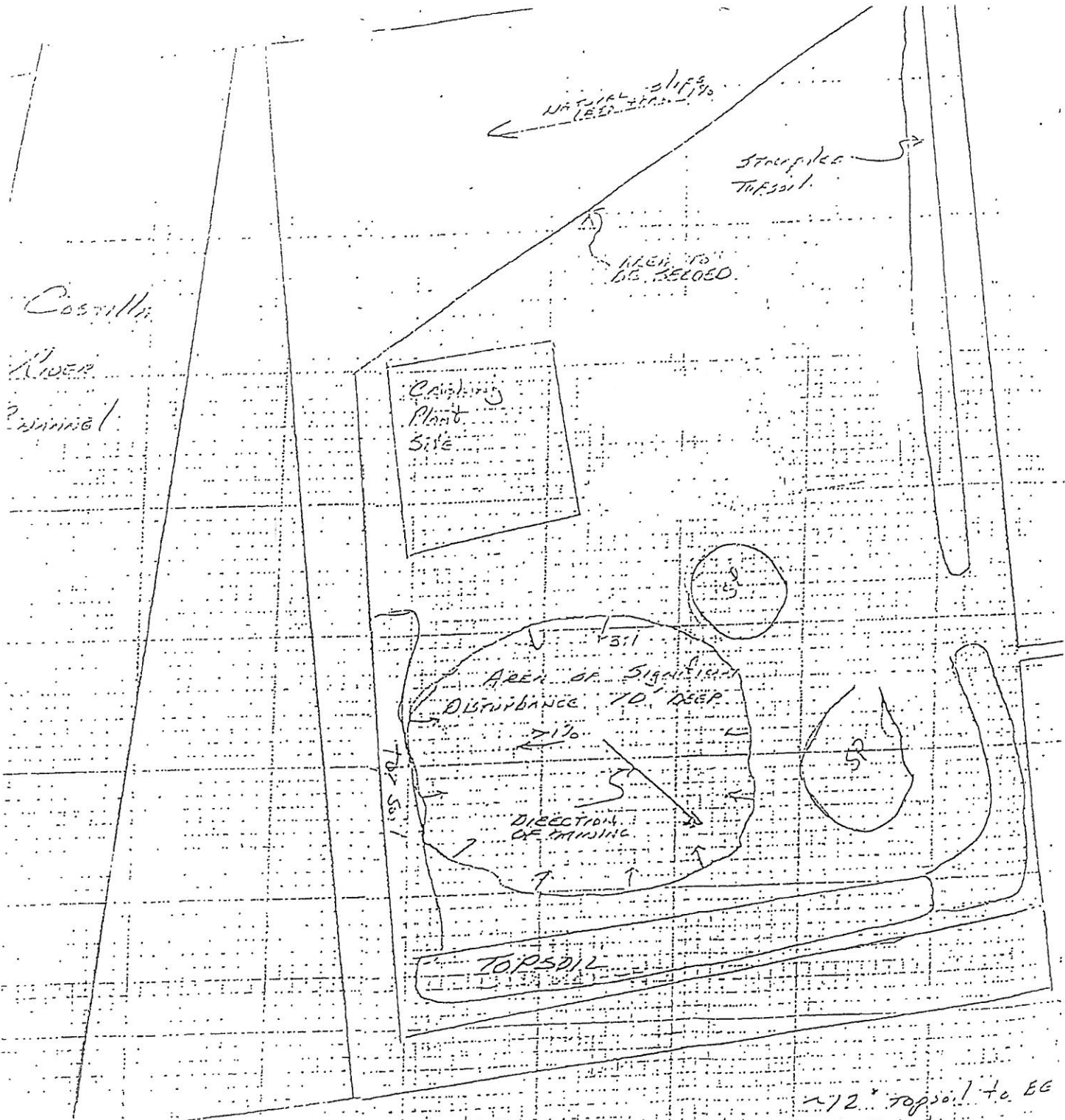
Division records indicate \$323.00 is due.

Permit No. :	M-1987-040
Operation Name:	Costilla Pit
Anniversary Date:	May 21, 2012
Total:	\$323.00 (Due on or before)

If your records indicate different facts than those stated above please inform the Division no later than **July 1, 2012**. If you receive this notice and you have mailed your payment and report to the Division, please disregard this notice. The Division appreciates your prompt attention in this matter.

Any questions concerning your annual report or fee, may be directed to Christine Brookshire at (303) 866-3567 ext. 8132 or Jim Dupler (303) 866-3567 ext. 8119.

Make checks payable to the Division of Reclamation, Mining and Safety.



Mr. PIT
 my CONST.
 F. UNCLEFUB P.E.

SCALE 1" = 100'
 NO FENCES OR SIGNIFICANT
 STRUCTURES ARE WITHIN 200' OF
 THE PIT BOUNDARIES

~12" topsoil to BE
 STAKEPILED
 6"-12" to BE
 REPLACED