

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: COUN | TY: |
|-------------------------------|---------------------------------|--|-------|
| East Wolf Creek Pit | M-2011-038 | Stone Minera | ıl |
| INSPECTION TYPE: | INSPECTOR(S): | INSP. DATE: INSP. | TIME: |
| Monitoring | Bob Oswald | April 19, 2013 15:00 | |
| OPERATOR: | OPERATOR REPRESENTATIVE: | TYPE OF OPERATION: | |
| KW Enterprises, LLC | None | 111 - Construction by Goverment Agency | |
| | | | |
| REASON FOR INSPECTION: | BOND CALCULATION TYPE: | BOND AMOUNT: | |
| Normal I&E Program | None | \$4,509.00 | |
| DATE OF COMPLAINT: | POST INSP. CONTACTS: | JOINT INSP. AGENCY: | |
| NA | None | None | |
| WEATHER: | INSPECTOR'S SIGNATURE: | SIGNATURE DATE: | |
| Clear | Bob (And | May 17, 2013 | |

GENERAL INSPECTION TOPICS

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. No problems or possible violations were noted during the inspection. The mine operation was found to be in full compliance with Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials and/or for Hard Rock, Metal and Designated Mining Operations. 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.

| (AR) RECORDS <u>NA</u> | (FN) FINANCIAL WARRANTY Y | (RD) ROADS <u>Y</u> |
|---|--------------------------------------|---------------------------------------|
| (HB) HYDROLOGIC BALANCE <u>Y</u> | (BG) BACKFILL & GRADING <u>NA</u> | (EX) EXPLOSIVES <u>NA</u> |
| (PW) PROCESSING WASTE/TAILING <u>NA</u> | (SF) PROCESSING FACILITIES <u>NA</u> | (TS) TOPSOIL <u>Y</u> |
| (MP) GENL MINE PLAN COMPLIANCE- <u>NA</u> | (FW) FISH & WILDLIFE <u>Y</u> | (RV) REVEGETATION <u>NA</u> |
| (SM) SIGNS AND MARKERS <u>N</u> | (SP) STORM WATER MGT PLAN <u>NA</u> | (SB) COMPLETE INSP <u>NA</u> |
| (ES) OVERBURDEN/DEV. WASTE <u>NA</u> | (SC) EROSION/SEDIMENTATION Y | (RS) RECL PLAN/COMP <u>NA</u> |
| (AT) ACID OR TOXIC MATERIALS <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 was a routine inspection by the Division as part of its monitoring of Construction Materials 111 permits. The operator was not present and there was no activity at the site during the inspection. The permit ID sign was not observed on the locked entrance gate, although it appeared there had recently been a sign removed. This is not noted as a problem in this report, but the operator is hereby informed that the sign is required and should be posted promptly. Please refer to Rule 3.1.12 for the proper sign information. If the operator prefers to post the sign some distance inside the gate at a more secure, yet visible location, that is acceptable to this office.

The permit is approved for the removal of previously mined, stockpiled material. The material is clean rock in a variety of sizes of boulders, ranging from 6 to 30 inches. The approved plan is to remove the boulders down to the pre-existing grade, leaving a level site. The stockpiles appeared to contain boulders that have been sorted by size. There was no grizzly or processing equipment, or earthmoving equipment on the site.

The permit file contains a site map and aerial photos delineating the limits of activity and stockpile locations. Dirt roads exist on the site, which pre-date this permit, but which now serve to access the stockpiles. No mining activity under this permit appeared to have occurred on areas outside the approved locations. There is still a lot of stockpiled material available to be removed, which appears to be stable in its present piled configuration. There is no erosion or sediment being transported. The level area does not provide any runoff to offsite areas.

Former site disturbances (from prior subdividing or development activity, and rock placement activity) have resulted in pond and wetland areas near the stockpile areas, but these are not part of the approved activities or affected area. The area is popular with elk, and many pairs of mallards were observed in the pond during the inspection.

The site is level, and disturbance to the land is mainly the deposition of stockpiled rocks. Areas between the stockpiles are not severely degraded, although weeds have largely moved into much of those areas. A small patch of Canada thistle was noted on the left immediately after entering the site. This is a small patch and should be addressed promptly and thoroughly in order to eliminate it. The operator should inquire to the Mineral County weed control office, the Cooperative Extension office, or a weed control professional for the proper treatment. The most notable plant in the disturbed areas is the common mullein (*Verbascum* spp.). This is not a noxious weed that is required to be controlled under state law, but it is nevertheless an aggressive invader of disturbed land, which will continue to increase across the site making reclamation seeding more difficult. This office recommends that the operator also inquire to the same weed control offices as to appropriate control methods of this plant. Likewise, the operator should begin to reseed disturbed areas in the permit where stockpiles are now gone and which will not be redisturbed.

For questions about this report, please contact this operator at the Division's Durango Field Office: DRMS - Durango Field Office 691 CR 233, Room A-2 Durango, CO 81301 (telephone 970-247-5193)

PERMIT #: M-2011-038 INSPECTOR'S INITIALS: RCO INSPECTION DATE: April 19, 2013

Inspection Contact Address Steven Winer KW Enterprises, LLC PO Box 2055 Durango, CO 81303

PHOTOGRAPHS









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PHOTOGRAPHS





