

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:	MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
Circle Dot Quarry	M-2007-067	Gravel	Garfield
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring	Stephanie J. Mitchell	August 1, 2013	10:00
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Marathon Oil Company	Zach Toellner	110c - Construction Limited Impact	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$20,676.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Cloudy	INSPECTOR'S SIGNATURE:	SIGNATURE DATE: August 5, 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>Y</u>	(FN) FINANCIAL WARRANTY <u>Y</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 NA	(SF) PROCESSING FACILITIES <u>Y</u>	(TS) TOPSOIL <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE <u>Y</u>	(RV) REVEGETATION <u>Y</u>
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN NA	(SB) COMPLETE INSP N
(ES) OVERBURDEN/DEV. WASTE <u>Y</u>	(SC) EROSION/SEDIMENTATION Y	(RS) RECL PLAN/COMP Y
(AT) ACID OR TOXIC MATERIALS NA	(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

OBSERVATIONS

This was a normal monitoring inspection of the Circle Dot Quarry, DRMS File# M-2007-067 operated by Marathon Oil Company. The site is located about 10 miles northwest of Parachute, Colorado in Garfield County. I, Stephanie Mitchell of the Colorado Division of Reclamation, Mining and Safety conducted the inspection. Mr. Zach Toellner of Marathon Oil Company accompanied me on the inspection.

This is a 9.11 acre 110c mining operation for rock, sand and gravel. A mine identification sign was in place at the entrance to the mine site. Permit boundaries were all clearly marked. The site is stable and no disturbance was observed outside of the approved permit boundaries. Mr. Toellner and I walked to the site to confirm the 9.11 acres.

Topsoil is stockpiled at the northwestern extent of the current disturbance at the approve location. Material is being stockpiled in the center of the pit and is in compliance with the mining plan. In addition, little or no weeds appeared to exist on this site, although there were some Canadian thistle, which had been sprayed earlier this summer.

No fuel was being stored at the mine site. No equipment was at the mine site.

Mr. Toellner informed me that Marathon was preparing to file a notice of Temporary Cessation in the near future. Here is an outline of the steps the Operator is encouraged to take:

The Act and the Rules require that operators who are not continuously engaged in the extraction of construction materials must either file a notice of Temporary Cessation ("TC") as explained below. Operators must file a notice of TC whenever they intend to, or do, temporarily cease production for more than a one year period. C.R.S. § 34-32.5-103(11)(b); Rule 1.13.5(1). The notice of TC must be filed in writing by separate cover to the Division and include the following:

- 1. A revision fee in the amount of \$144.00.
- 2. A statement of when the initial five-year period of TC will commence.
- 3. Reason for non-production.
- 4. A general plan for the resumption of mining.
- 5. Measures to be taken to comply with reclamation requirements related to Rule 3.1 including weed control, storm water control, and general site upkeep.
- 6. Demonstration that the existing Financial Warranty is adequate to cover current reclamation liabilities.
- 7. File the required annual report and fee when due.

All other activities and completed work at the time of inspection appeared to follow the guidelines and regulations set forth by the state and in the mining and reclamation plans for the pit.

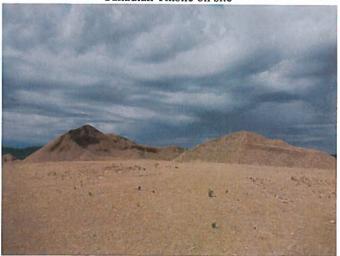
PHOTOGRAPHS



Permit Identification Sign



Canadian Thistle on site



Material Stockpiles



Stormwater retention pond



Topsoil Stockpile on northwestern portion of permit area

PERMIT #: M-2007-067 INSPECTOR'S INITIALS: SJM INSPECTION DATE: August 1, 2013

Inspection Contact Address
Zach Toellner Marathon Oil Company 743 Horizon Court Grand Junction, CO 81501

CC: Russ Means, DRMS