



**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: ZMK Gravel Pit	MINE/PROSPECTING ID#: M-1991-146	MINERAL: Gravel	COUNTY: Ouray
INSPECTION TYPE: Multi Person Inspection	INSPECTOR(S): Wallace H. Erickson, G. Russell Means	INSP. DATE: June 4, 2013	INSP. TIME: 13:30
OPERATOR: Sako Excavation, LLC	OPERATOR REPRESENTATIVE: Travis Sackman, Bob & Pam Larson, Tim Pasic	TYPE OF OPERATION: 110c, In-Stream, Construction Materials	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Partial Bond	BOND AMOUNT: \$8,151.48
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Raining	INSPECTOR'S SIGNATURE: <i>Wallace H. Erickson</i>	SIGNATURE DATE: August 28, 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-----	<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--	<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>Y</u>
(SM) SIGNS AND MARKERS-----	<u>Y</u>	(SP) STORM WATER MGT PLAN----	<u>N</u>	(SB) COMPLETE INSP----	<u>Y</u>
(ES) OVERBURDEN/DEV. WASTE-----	<u>NA</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

OBSERVATIONS

This inspection occurred as part of the Division's routine monitoring of permitted operations. The ZMK (SAKO) Gravel Pit is approved to extract alluvial materials from the floodplain of the Uncompahgre River. The 8.72 acre permit area is located entirely within the active floodplain areas. The extraction and processing areas are separated from the low-flow channel by a historic flood protection levee. The flood protection levee predates the permit. Permit conditions authorize the Operator to breach an upstream portion of the levee during high flow season and thereby allow the river to enter the extraction area, deposit its bed-load and recharge the extraction area. After high flow season has passed the Operator restores the levee at its approximate original alignment, replacing all flow to the main (low-flow) channel. This report is accompanied by four photos.

As shown in the photos, mining and reclamation activities were active. Mining equipment on-site included one bulldozer, one tracked excavator, mobile screens and mobile crusher. Various stockpiles of mined and processed materials were located on the pit floor. The Operator indicated the levee had not been breached for the last two runoff seasons; the pit area has not been recharged for two consecutive construction seasons. Evidence of ground water being exposed by the excavation activity was not observed. The operation was confined within the approved boundary; evidence of off-site damage was not observed. Affected lands appeared stable; evidence of slumping, settling or excessive erosion was not observed.

The Uncompahgre River channel through the permit area appeared to be a well defined single thread and stable. The river channel upstream and downstream of the permit area is a braided configuration with numerous locations of active erosion of the channel banks.

No problems or possible violations were observed.

Inspection Contact Address

Travis Sackman
SAKO Excavation, LLC
342 7th Ave
Ouray, CO 81427

Enclosure: 4 photos

cc w/enclosure: Bob Larson
Tim Pasic

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View south, taken from the flood protection levee and nearby the southern permit boundary, showing the Uncompahgre River channel upstream of the permit area. The braided channel is wide, with an abundance of flow debris. Near vertical cut banks, estimated at four feet high and indicating active erosion of the channel banks, were observed upstream of the permit area. The Uncompahgre River flows north, from background through the foreground of this photo.

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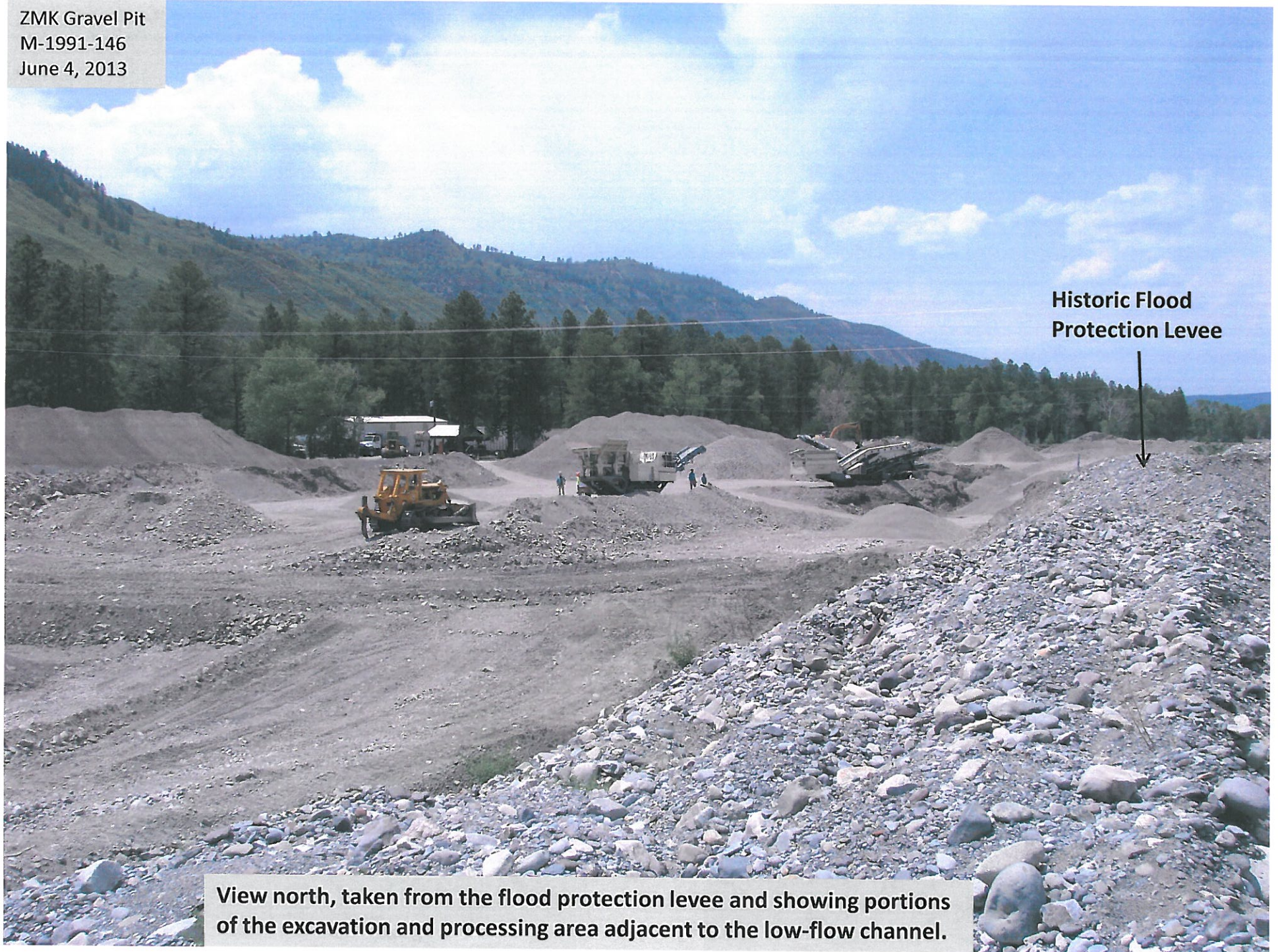


Extraction and
Processing Area

Historic Flood
Protection Levee

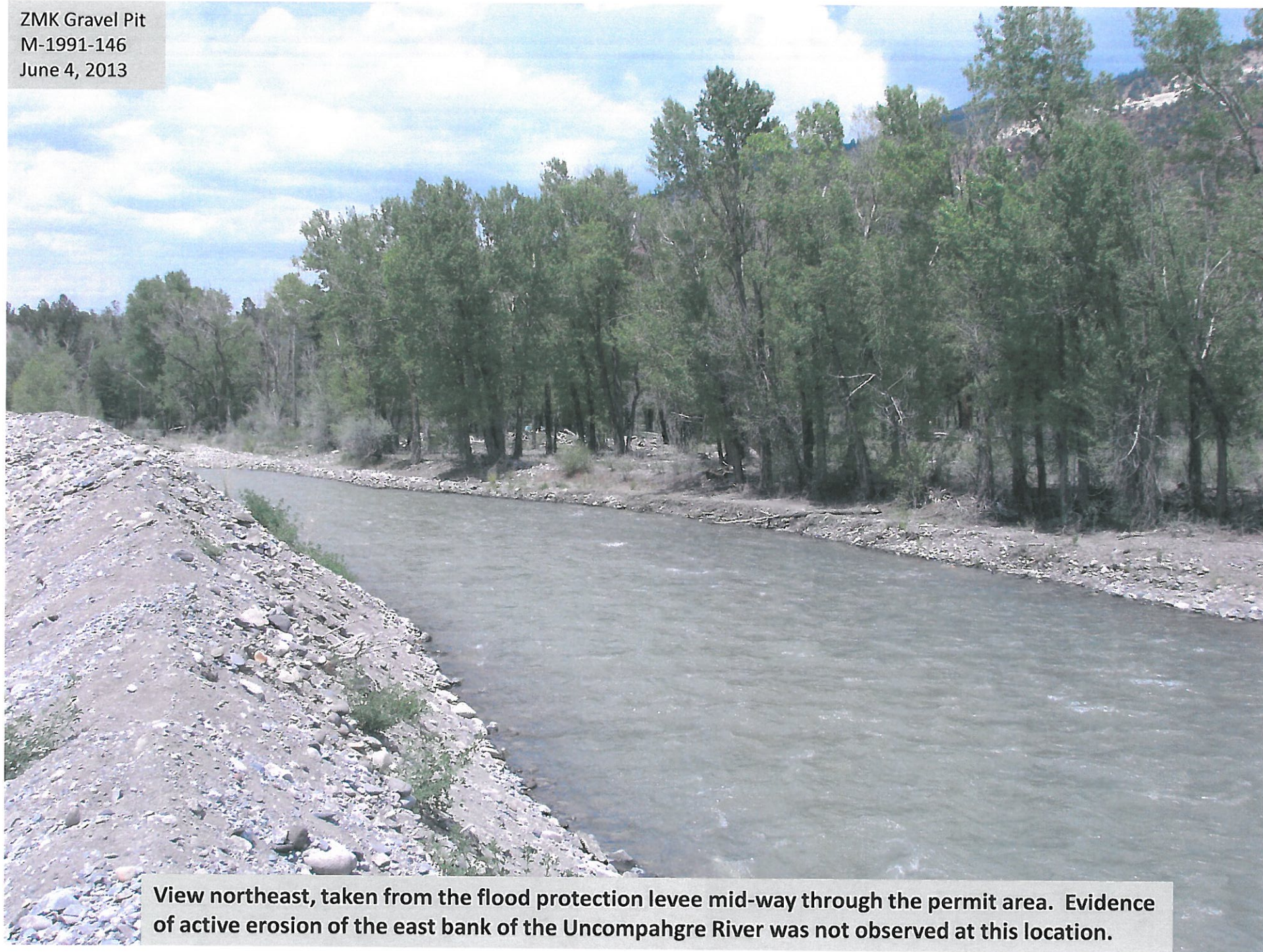
View north, taken from the flood protection levee and nearby the southern permit boundary, showing the Uncompahgre River channel through the permit area. The low-flow channel is constricted by the levee. Evidence of erosion of the east bank through the permit area was observed only where mid-channel gravel bars were present, as shown in this photo. The Uncompahgre River flows north, from foreground to background through this photo.

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View north, taken from the flood protection levee and showing portions of the excavation and processing area adjacent to the low-flow channel.

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View northeast, taken from the flood protection levee mid-way through the permit area. Evidence of active erosion of the east bank of the Uncompahgre River was not observed at this location.