




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: Loesch Pit	MINE/PROSPECTING ID#: M-1981-068	MINERAL: Sand and gravel	COUNTY: Garfield
INSPECTION TYPE: Monitoring	INSPECTOR(S): Stephanie J. Mitchell	INSP. DATE: February 11, 2014	INSP. TIME: 10:30
OPERATOR: Grant Bros Construction Ltd	OPERATOR REPRESENTATIVE: Doug and Dan Grant	TYPE OF OPERATION: 112c - Construction Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$19,000.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: February 14, 2014	

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>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(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---- <u>N</u>	(SB) COMPLETE INSP---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</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>N</u>	(ST) STIPULATIONS----- <u>Y</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 monitoring inspection of the Loesch Pit; M-1981-068 operated by the Grant Brothers Construction, Ltd. This site is located than 2.75miles west of Silt, Colorado in Garfield County. I, Stephanie Mitchell of the Colorado Division of Reclamation, Mining and Safety conducted the inspection. Mr. Doug Grant, Mr. Dan Grant and Mr. Grant of Grant Brothers Construction, Ltd. accompanied me on the inspection.

This is a 511.30 acre 112c mining operation for sand and gravel, with a maximum disturbed area of 361.20 acres. A mine identification sign was in place at the entrance to the mine site and all permit boundaries were all clearly marked. Active mining was taking place at the time of inspection.

The side slopes of the pit excavation appear to be at a 2:1 horizontal to vertical ratio or less. The southern portion of the site is the location of the topsoil stockpile.

The site is still plagued by a produced water line from a nearby natural gas site the east. The produced water line was assembled incorrectly by Antero Resources in 2010 and spilled toxins onto the Loesch Pit site. There is still a small amount of produced water/chemical spill on the eastern portion of the site. It is well contained by berms constructed by the Grant Brothers. They anticipate an excavation of the contaminated area to take place in the future by Antero or what is now called Ursa Resources.

Fuel storage appeared to be adequate with tanks that have a secondary liner. The pump that discharges Water into the Colorado River to keep the pit run dry for mining appears to be working correctly.

Photos showing the condidtions observed during the inspection are included at the end of this report.

Responses to this inspection report should be directed to Stephanie Mitchell at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 S. 3rd Street, Suite 301, Grand Junction, Colorado, 81501, phone # 970.242.5025.

PHOTOGRAPHS



Mine Identification Sign



Looking South



Double walled Fuel Storage



Overall Site- with 4-5 material stockpiles



Dewatering pump

Inspection Contact Address

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CC: Russ Means, DRMS