




**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: Nolte Pit #1	MINE/PROSPECTING ID#: M-2012-016	MINERAL: Borrow material for	COUNTY: Garfield
INSPECTION TYPE: Monitoring	INSPECTOR(S): Stephanie J. Mitchell	INSP. DATE: January 27, 2015	INSP. TIME: 10:00
OPERATOR: Puckett Land Company	OPERATOR REPRESENTATIVE: Chuck Whiteman	TYPE OF OPERATION: 111 - Construction by Government Agency	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$36,250.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: February 11, 2015	

The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.

INSPECTION TOPIC: Availability Of Records

PROBLEM/POSSIBLE VIOLATION: Problem: The Division has no evidence that the operator has a valid well permit, substitute water supply plan, or approved water augmentation plan for the exposed groundwater at the site. This is a problem related to 34-32.5-116(4)(h) of the Colorado Revised Statutes and 3.1.6(1)(a) of the Construction Materials Rules and Regulations governing injury to existing water rights.

CORRECTIVE ACTIONS: The operator shall demonstrate that the operation is in compliance with the Office of the State Engineer, show evidence that the operator is taking measures to bring the site into compliance with the SEO, or backfill the pits to at least two feet above the groundwater surface by the corrective action date specified.

CORRECTIVE ACTION DUE DATE: 4/01/15

INSPECTION TOPIC: Sediment Control

PROBLEM/POSSIBLE VIOLATION: Problem: Erosion gullies and ruts were observed on-site. This is a problem at this time for failure to protect the affected land from erosion pursuant to C.R.S. 34-32.5-116 (4) (j).

CORRECTIVE ACTIONS: The operator shall provide photo documentation to the Division verifying erosion gullies and ruts have been repaired, and that the site has have been reconstructed and stabilized to prevent erosion damage by the corrective action date.

CORRECTIVE ACTION DUE DATE: 4/01/15

OBSERVATIONS

This was a follow-up inspection of the Nolte Pit #1, DRMS file no. M-2012-016, operated by Puckett Land Company. This site is located approximately 3/4 mile southwest of Parachute, Colorado in Garfield County. I, Stephanie Mitchell of the Colorado Division of Reclamation, Mining and Safety conducted the inspection. Mr. Chuck Whiteman of Puckett Land Company accompanied me on the inspection.

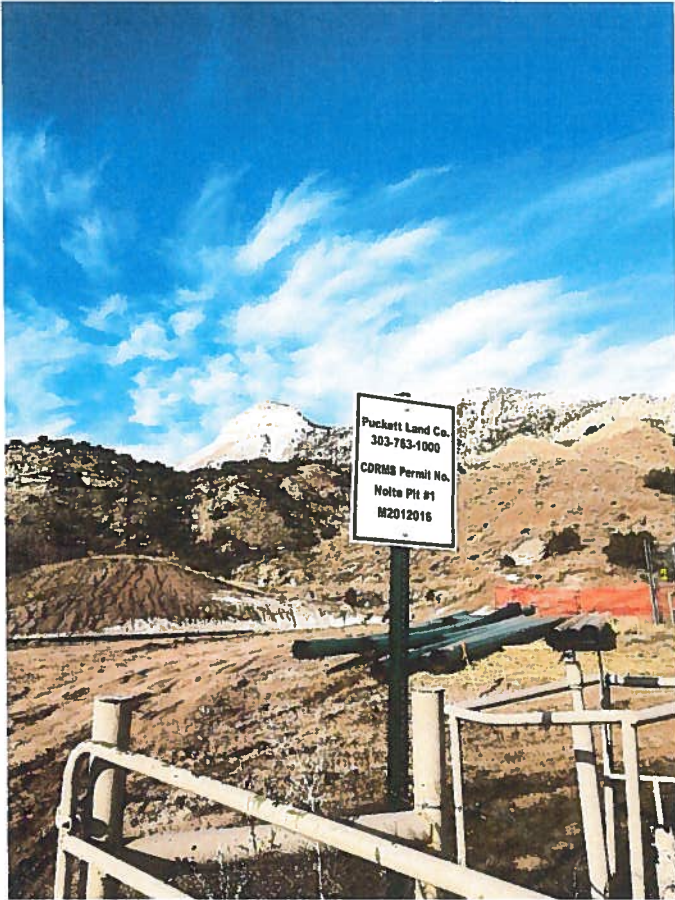
The permit is a 111 and the permit area is permitted for 22.34 acres and is not active at this time. All permit boundary markers were in place at the time of inspection. An adequate mine identification sign was in place.

Follow-up inspection topics included vegetation establishment and weed control, erosion control measures and final grading. The rills and gullies observed in December 2012 are still evident. It does not appear that the Operator has conducted any maintenance on the site since it was last inspected by the Division. Weeds are still on site, but in less quantity than noted in December 2012. On the north side of the permit area, there are two rip rapped drainage channels that need maintenance. They both are not conveying water and sediment as engineered. There are rills and gullies forming on the outsides of the channels. This is noted as a problem at the beginning of the inspection report. The two ponds that retain water for over 72 hours are required to have a permit through the Colorado Division of Water Resources. The Division's records show that we do not have a copy of the permit or the Stormwater Management Plan. This is noted as a problem at the beginning of the inspection report and will need to be submitted by April 1, 2015. Final grading has not been conducted and has been noted as a problem as well at the beginning of the inspection report. More grading is necessary to complete the final grade of 3:1 slopes as submitted in the reclamation plan.

There is a lot of oil and gas activity on the site, including a gas line that is currently being installed through the permit area. The Operator mentioned that they may want to change the post mining land use to commercial land use. According to RULE 1.10.2, no amendments are allowed by State Statute. An Operator may only make changes defined under Rule 1.1(49). The result is that the Operator must submit a new permit as a 112(c) application. The fee associated with the new permit application is \$2,696.00. Much of the permit application exhibits can be used from the original 111 permit application, but re-submitted in the new application package. The Division would like to see a 112c Permit Application submitted by Puckett Land Company when all future land use is finalized with the entities involved. The present post mining land use submitted in the original 111 application is Rangeland. With all of the current oil and gas activity and the proposed use of a commercial site, the post mining land use shall be changed to Industrial/Commercial (IC) in the 112 c permit application.

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

PHOTOGRAPHS



Mine Identification Sign



Oil and Gas Activity



Looking Northwest



Rilling within the permit boundary- North area of permit boundary



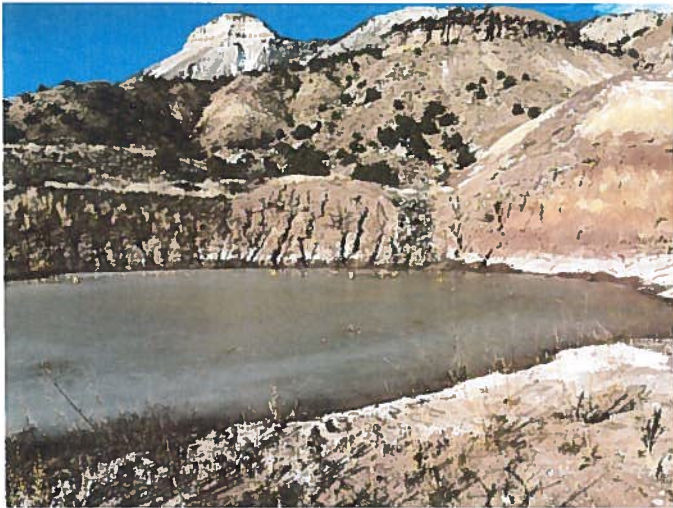
Looking West- Gas Line will be installed under road



Pond in western part of permit area



2 Channels needed maintenance



Rilling and Gullies forming



Rip Rapped Channels that need maintenance



Looking North



Looking East

GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(AR) RECORDS----- <u>PB</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>N</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>PB</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>

Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

Inspection Contact Address

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