



August 22, 2017

Colorado Department of Natural Resources  
Division of Reclamation, Mining and Safety  
1313 Sherman Street, Room 215  
Denver, Colorado 80203

Attention: Mr. Michael A. Cunningham

Subject: Chieftain South Mine, Permit No. M-1981-148

Dear Mr. Cunningham:

General Shale Brick, Inc. is in receipt of your inspection report dated May 30, 2017.

The report cited the following problem:

*"The Division has no evidence that the operator has a valid well permit 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 Action:

General Shale submitted to the DRMS in 2013 well permit 74957-F that expired March 25, 2012. General Shale adjudicated the water rights with water court case number 2011CW142. The water court case required issuance of a new well permit 76233-F from the State Engineer's Office (SEO) for the groundwater exposed at the Chieftain South Mine. The new well permit does not have an expiration date listed. A copy of the new well permit document is enclosed.

If you have any questions, please contact me at 303-783-3058 or by e-mail at [jason.mcgraw@generalshale.com](mailto:jason.mcgraw@generalshale.com).

Respectfully,

**GENERAL SHALE BRICK, INC.**

A handwritten signature in blue ink, appearing to read "Jason E. McGraw", is written over a horizontal line.

Jason E. McGraw, P.E.  
Mine Supervisor

Enc. SEO Well Permit 76233-F

**OFFICE OF THE STATE ENGINEER  
COLORADO DIVISION OF WATER RESOURCES**

818 Centennial Bldg., 1313 Sherman St., Denver, Colorado 80203  
(303) 866-3581

EXST

WELL PERMIT NUMBER 76233 - F -  
DIV. 1 WD 9 DES. BASIN MD

APPLICANT

GENERAL SHALE BRICK INC  
JASON E MCGRAW  
1845 W DARTMOUTH AVENUE  
DENVER, CO 80110-1308

(303) 783-3058

APPROVED WELL LOCATION

JEFFERSON COUNTY  
SE 1/4 NW 1/4 Section 25  
Township 4 S Range 70 W Sixth P.M.

DISTANCES FROM SECTION LINES

Ft. from Section Line  
Ft. from Section Line

UTM COORDINATES (Meters, Zone: 13, NAD83)

Easting: Northing:

**PERMIT TO EXPOSE WATER IN A PIT**

**ISSUANCE OF THIS PERMIT DOES NOT CONFER A WATER RIGHT**

**CONDITIONS OF APPROVAL**

- 1) This well shall be used in such a way as to cause no material injury to existing water rights. The issuance of this permit does not ensure that no injury will occur to another vested water right or preclude another owner of a vested water right from seeking relief in a civil court action.
- 2) Pursuant to Rule 10.1.6 of the Water Well Construction Rules, gravel pit wells are exempt from the minimum well construction standards except for contamination considerations as stated in the Rule. That Rule is viewed as applying to this clay mine well. The owner of the pit shall take necessary means and precautions to prevent contaminants from entering the pit.
- 3) Approved for an existing clay mine pursuant to CRS 37-90-137(4) and the decree granted in case no. 11CW142 Division 1 Water Court. The operation of this well is subject to the terms and conditions of said decree.
- 4) The average annual amount of ground water to be appropriated shall not exceed 12.2 acre-feet with the total surface area of the proposed ground water pond limited to no more than 0.71 acres.
- 5) The use of ground water, in addition to evaporation, is limited to industrial, commercial, domestic, irrigation, stock watering, and augmentation purposes. No other use of water is allowed unless a permit therefore is approved.
- 6) This clay mine well must be constructed to withdraw water from only the Laramie-Fox Hills aquifer.
- 7) The owner shall mark the well in a conspicuous place with the well permit number and name of aquifer as appropriate, and shall take necessary means and precautions to preserve these markings.
- 8) Pursuant to CRS 37-90-137(9)(b) and the Denver Basin Rules, no more than 98% of the nontributary ground water withdrawn annually shall be consumed and the well owner shall demonstrate to the reasonable satisfaction of the State Engineer that no more than 98% of the water withdrawn will be consumed.
- 9) The boundaries of the pit shall be more than 600 feet from any existing well, completed in the same aquifer, that is not owned by the applicant.
- 10) A totalizing flow meter must be installed so as to measure any pumping from this pit and maintained in good working order. Permanent records of all diversions from the pit, and the surface area of ground water exposure shall be maintained by the well owner (recorded at least annually) and submitted to the water commissioner upon request.
- 11) Pursuant to Policy 2000-4 of the State Board of Examiners of Water Well Construction and Pump Installation Contractors (Board), no pumping equipment shall be installed in the pit well to withdraw water for any beneficial use, unless a separate written request for a variance has been approved by the Board.
- 12) Pursuant to Rule 17.1.4 of the Water Well Construction Rules, the owner submitted, pursuant to the previous well permit for this pit, no. 74957-F, a site plan and cross section drawings showing the extent of intended excavation, the maximum depth of the pit, and the initial static water level. The construction of the well-pit was completed on June 3, 2005.

NOTE: Permit No. 74957-F was canceled by order of the State Engineer's Office upon issuance of this permit.

NOTE: The ability of this well to withdraw its authorized amount of water from this non-renewable aquifer may be less than the 100 years upon which the amount of water in the aquifer is allocated, due to anticipated water level declines. *TLK 7-17-12*

APPROVED  
TLK

State Engineer

DATE ISSUED 07-17-2012

By

EXPIRATION DATE *NA*

Receipt No. 3655778