



Electronic Submittal

February 24, 2018

Colorado Division of Reclamation, Mining and Safety

**RE: 2017 Annual Report Supplemental Information  
OWL SWD Operating, LLC dba Oilfield Water Logistics  
OWL Western Gravel & Disposal  
Rio Blanco County**

To Whom It May Concern,

On August 25, 2016, the DRMS approved an acreage release of 171.06 acres subsequently reducing the facility to 20.77 acres. The electronic report does not reflect the change and it appears as though I do not have the ability to amend it as it has been autofilled. How do we make that change so it is accurate?

Regards,

Seth Peters  
Manager  
CASE Associates, LLC

Doug Wheeler  
Regional Operations Manager  
Oilfield Water Logistics



## COLORADO

Division of Reclamation,  
Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215  
Denver, CO 80203

August 25, 2016

Justin Spaeth  
OWL SWD Operating, LLC  
4775 Larimer Pkwy, Suite 200  
Johnstown, CO 80534

**Re: White River Pit, Acreage Reduction Approval, Permit No. M-2008-070, Revision No. AR-2**

Dear Mr. Spaeth:

On August 25, 2016, the Colorado Division of Reclamation, Mining and Safety approved your request for release of a portion of the permit area from further reclamation responsibility.

The permit area was reduced to 20.77 acres, through the release of 171.06 acres in this permit action. Because the permit is not totally released, you are still liable for filing annual reports and fees.

If you need additional information, please contact me at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 S. 3rd St., Suite 301, Grand Junction, Colorado 81501, telephone no. 970.241.2042.

Sincerely,

Travis Marshall  
Environmental Protection Specialist

cc: Russ Means, DRMS




**COLORADO**Division of Reclamation,  
Mining and Safety

Department of Natural Resources

**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.

<b>MINE NAME:</b> White River Pit	<b>MINE/PROSPECTING ID#:</b> M-2008-070	<b>MINERAL:</b> Gravel	<b>COUNTY:</b> Rio Blanco
<b>INSPECTION TYPE:</b> Surety-Related Inspection	<b>INSPECTOR(S):</b> Travis H. Marshall	<b>INSP. DATE:</b> August 9, 2016	<b>INSP. TIME:</b> 12:00
<b>OPERATOR:</b> OWL SWD Operating, LLC	<b>OPERATOR REPRESENTATIVE:</b> Seth Peters	<b>TYPE OF OPERATION:</b> 112c - Construction Regular Operation	
<b>REASON FOR INSPECTION:</b> Surety Related	<b>BOND CALCULATION TYPE:</b> Complete Bond	<b>BOND AMOUNT:</b> \$106,548.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None	
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> August 25, 2016	

**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---- <u>NA</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>NA</u>	(CI) 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 was conducted as part of the normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety. The WRC Gravel Pit is located approximately 13 miles west of Meeker, Colorado. The WRC Gravel Pit is a 191.83 acre 112c construction materials mining operation. Seth Peters of OWL SWD Operating, LLC accompanied the inspector during the inspection.

The mine identification sign and the affected area boundary markers were present and in compliance with Rule 3.1.12.

The site was inactive during the inspection. Various stockpiles of construction material were observed.

The operator submitted an acreage reduction request (AR-02) to remove all of Phase 2, the access road to Phase 2, a portion of the office and scale area and the future bridge and access area. The remaining proposed permit area is 20.77 acres. The breakdown of the proposed permit area is as follows: Phase 1 (13.67 acres); Office, scales and Parking (1.43 acres); access road (5.67 acres).

The purpose of the inspection was to observe Phase 2 and verify that no disturbance has taken place. Upon inspection of Phase 2 it was evident that no mining related disturbance occurred. The access road to Phase 2 was improved by widening and reducing the grade, the reclamation plan states that the road will be left in the improved condition to allow for better access to the property for the landowner. The future bridge area was not disturbed.

Based on the conditions observed during the inspection the requested acreage reduction will be approved. The approval letter will be sent under separate cover.

The currently held reclamation bond in the amount of \$106,547.59 is considered to be adequate to complete the required reclamation.

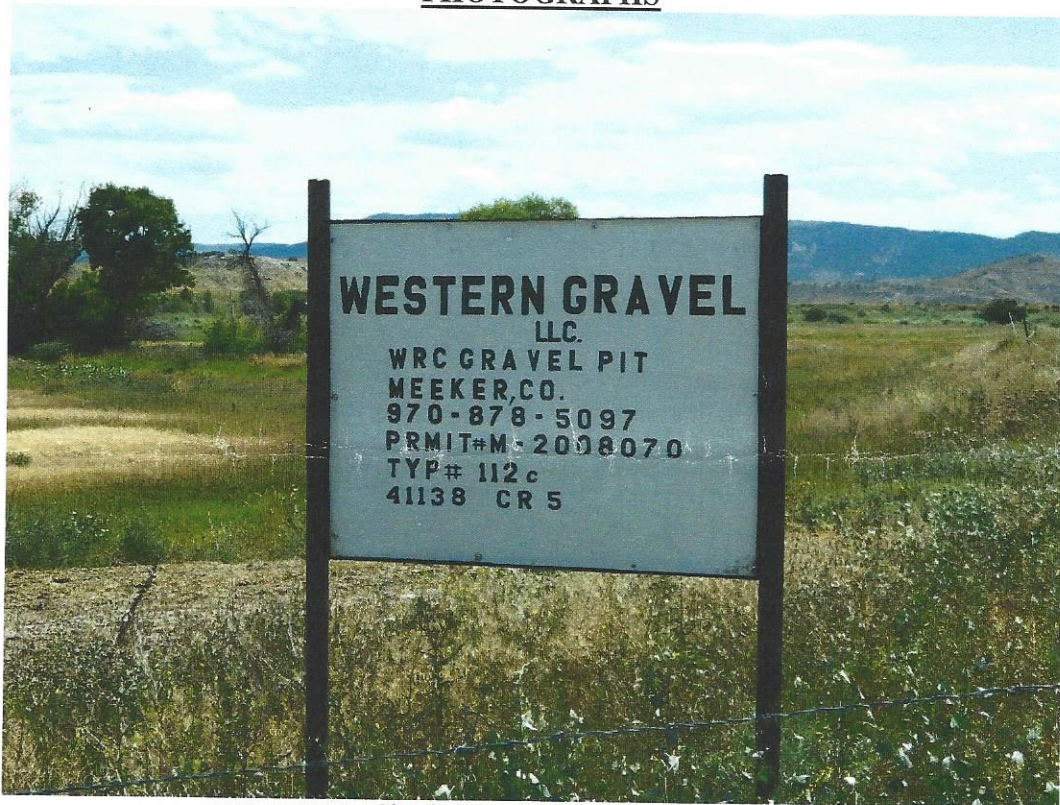
No off-site damage was observed during the inspection.

Photos that show the conditions observed during the inspection are included at the end of this report.

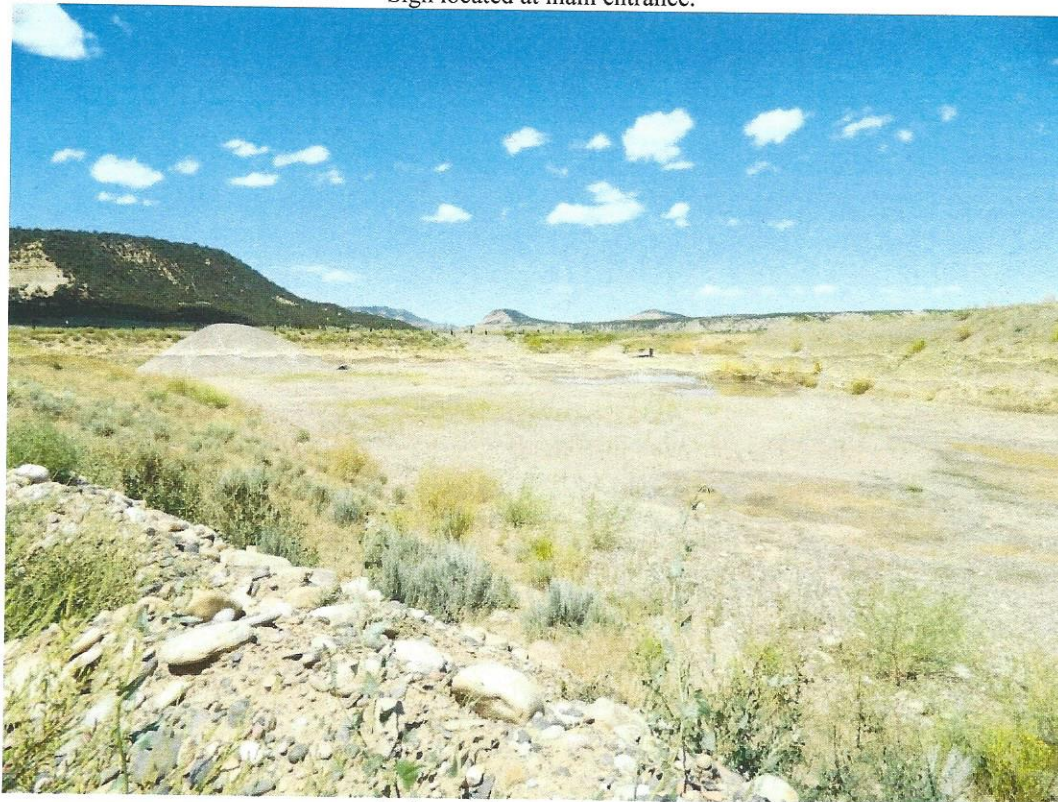
Responses to this inspection report should be directed to Travis Marshall at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 South 3<sup>rd</sup> Street, Room 301, Grand Junction, Colorado 81501, phone no. 970-241-2042.



**PHOTOGRAPHS**

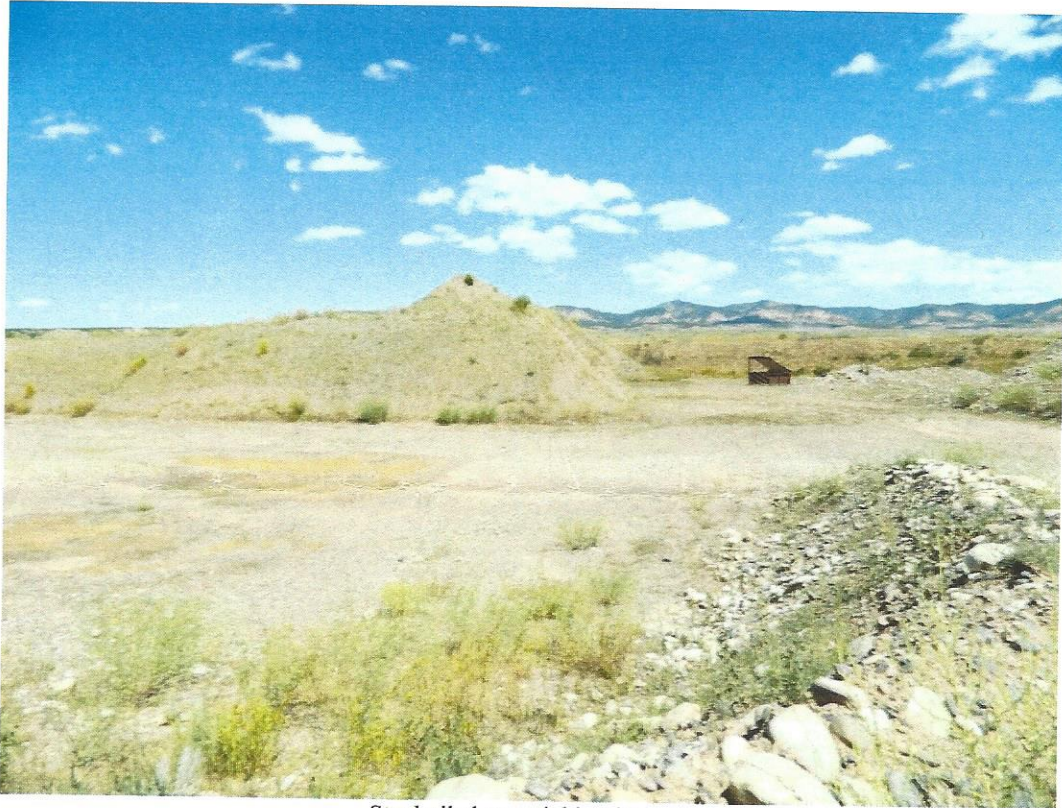


Sign located at main entrance.

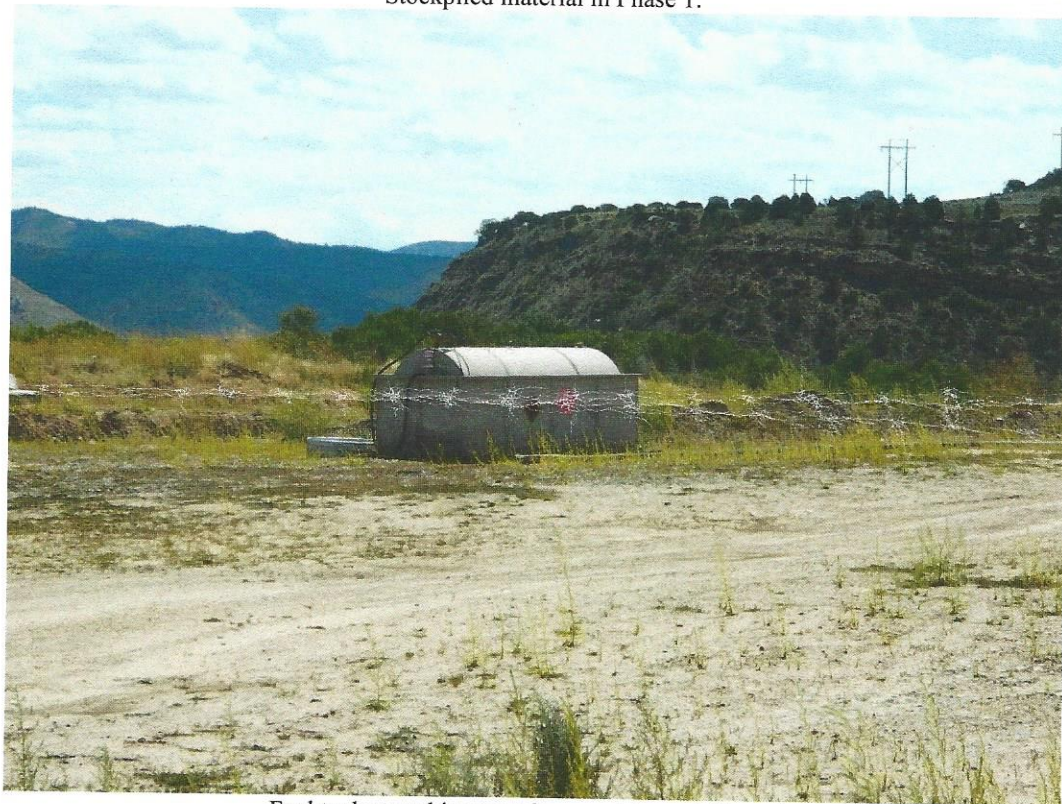


Active mining area in Phase 1.





Stockpiled material in Phase 1.



Fuel tank stored in secondary containment Phase 1.





Phase 1 yet to be mined.



Unmined Phase 2 to be released.





Unmined Phase 2 to be released.



Unmined Phase 2 to be released.



PERMIT #: M-2008-070  
INSPECTOR'S INITIALS: THM  
INSPECTION DATE: August 9, 2016

**Inspection Contact Address**

Seth Peters  
OWL SWD Operating, LLC  
4775 Larimer Pkwy, Suite 200  
Johnstown, CO 80534