




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: Luke the Duke Gravel Pit	MINE/PROSPECTING ID#: M-2013-036	MINERAL: Gravel	COUNTY: La Plata
INSPECTION TYPE: Monitoring	INSPECTOR(S): Lucas West	INSP. DATE: November 12, 2019	INSP. TIME: 07:30
OPERATOR: Luke The Duke, LLC	OPERATOR REPRESENTATIVE: John Avery	TYPE OF OPERATION: 110c - Construction Limited Impact	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$14,631.48	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: November 20, 2019	

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>N</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>N</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <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

OBSERVATIONS

This inspection was conducted in response to the Operator's request for an inspection after conducting reclamation activities. The Luke the Duke Gravel Pit is listed as an active 110(c) that is approved for reclamation only activities in La Plata County. The site is located approximately 3.8 miles south of Hesperus, CO at approximately 7940 feet in elevation. Public access is controlled by a locked gate that also serves as Mr. Avery's driveway. John Avery, Operator and landowner, was present during the inspection. The Division currently holds \$14,631.48 in financial warranty for the site. Four photos accompany this report to illustrate the current site conditions.

The proper mine identification signage was posted at the entrance to the site and the permit boundaries were clearly marked. The site was not active and no mining or reclamation equipment was observed on site. The Operator has recently conducted a majority of the required reclamation tasks and requested the inspection. The tasks that have been completed include relaxing the slopes around both the north and south ponds to a minimum 3H: 1V, replacing topsoil and seeding the affected areas. All sloping and grading throughout the site was stable at the time of the inspection. The slopes of the North Pond seen in Photos One and Two were in good condition and appear to be shallower than 3H: 1V. The sloping around the South Pond, shown in Photos Three and Four was also in good condition and stable at the time of the inspection. The slopes have been set at a 3H: 1V configuration. Both ponds, and the upland areas in the entire permitted area have had the topsoil replaced at a depth of 12-18 inches. The sloping, grading and replaced topsoil are all in excellent condition and no signs of settling slumping or erosion was noted during the inspection. The entire affected area has also been seeded with the reclamation seed mix by method of drill seeding. All included photos show evidence of the seeding efforts.

Based on the completed reclamation work a reclamation cost estimate update was performed and staff calculations found that the currently held financial warranty is more than sufficient to achieve reclamation. The Operator may request a Surety Reduction by submitting the completed request form which has been enclosed with this report. If the request is received within 60 days of the date of this report, this inspection will suffice as the surety related inspection.

The overall footprint of the site is in excellent condition and free from trash and debris. No signs of settling, slumping or erosion was noted and no state listed noxious weeds were observed during this inspection. There are no problems or possible violations at this time. All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety at 1313 Sherman Street, Room 215, Denver CO, 80203, by phone at 970-243-6368 or by email at lucas.west@state.co.us.

Inspection Contact Address

John Avery
Luke The Duke, LLC
989 County Road 120
Hesperus, CO 81326

Enclosure: Request for Full or Partial Release of Permit Area/ Surety Reduction form

PHOTOGRAPHS



Photo One: View North, showing the sloping and grading of the west side of the north pond. Also visible are the drill lines from the drill seeding efforts that have been completed.



Photo Two: View North, showing the sloping and grading of the east side of the north pond. The grading was stable and no erosion was observed.

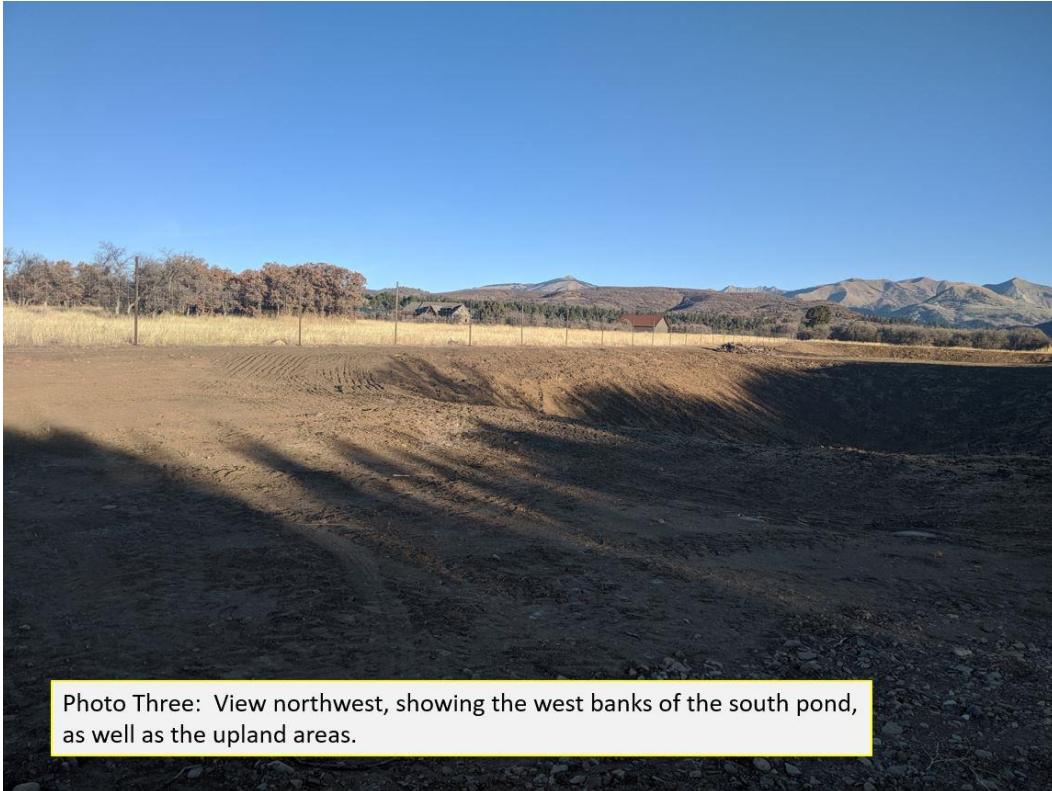


Photo Three: View northwest, showing the west banks of the south pond, as well as the upland areas.



Photo Four: View north, showing the east slopes of the south pond. The access road to both ponds and around the property is approved to remain post reclamation.



COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY

1313 Sherman Street, Room 215, Denver, Colorado 80203 ph(303) 866-3567

REQUEST FOR FULL OR PARTIAL RELEASE OF PERMIT AREA/SURETY REDUCTION

Please indicate if you are requesting:

FULL/FINAL RELEASE OF ENTIRE PERMITTED AREA (per Rule 4.17) _____

ACREAGE REDUCTION (PARTIAL RELEASE per Rule 4.17) _____

I wish to release _____ acres at this time.

You will need to submit with this request: a map showing the acreage to be released from the current permit and updated mining and reclamation plan maps that will accurately depict the new permit boundary if the release is approved.

SURETY (Bond) REDUCTION (per Rule 4.14) _____

If you are requesting a surety (bond) reduction you will need to include with this request a new estimate of the actual cost to reclaim the site based on what it would cost an independent contractor to complete reclamation, including unit costs for reclamation activities as appropriate to the operation to comply with the provisions of Rule 3.1 and the Permit's approved Reclamation Plan.

File No.: M- _____ Site Name: _____

County: _____

Permittee: _____

Permittee Address: _____

Operator (If Other than Permittee): _____

Permittee Representative: _____

Certified Mail# _____

In accordance with Rule 4.17.1(2) the Operator shall include the names, addresses and phone numbers of all owners of record to the affected land. Please attach additional sheets for this information if required.

Continue on following page..

In accordance with Rule 4.17.1(4), if requesting a full or partial acreage release the Operator or their agent MUST sign that they have complied with the following statement: “All applicable portions of the Reclamation Plan requirements have been satisfied in accordance with these Rules and all applicable requirements under the Act.”

Signature of Permittee, Operator or their authorized agent

Date

Important: In accordance with Rules 4.14.2(a) and 4.17.1(3) This release request must be submitted to the Division via certified mail and separate from any other correspondence to the Division.