




**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> Gray Pit #2	<b>MINE/PROSPECTING ID#:</b> M-2005-012	<b>MINERAL:</b> Sand and gravel	<b>COUNTY:</b> Montrose
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Dustin Czapla	<b>INSP. DATE:</b> April 20, 2022	<b>INSP. TIME:</b> 12:00
<b>OPERATOR:</b> Nick H. Gray	<b>OPERATOR REPRESENTATIVE:</b> Aaron Brock	<b>TYPE OF OPERATION:</b> 112c - Construction Regular Operation	
<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> Complete Bond	<b>BOND AMOUNT:</b> \$16,500.00	
<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> April 22, 2022	

**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>N</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</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>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>N</u>	

Y = Inspected / 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 Division of Reclamation, Mining and Safety's (Division) normal monitoring program, and to evaluate the current reclamation costs as part of the Succession of Operators application (SO-02) review process. Aaron Brock and Zane Luttrell, representing the Operator and successor Operator, were present during this inspection. Photographs are included with this report in order to illustrate some of the conditions observed.

The Gray Pit #2 is located approximately eight miles east of Montrose and accessed from Kinikinik Road. The site is a 112c operation that includes a total of 39.74 permitted acres. The Division currently holds a financial warranty amount of \$16,500 for this site. The Division has reviewed the reclamation costs, in order to ensure the financial warranty reflects the actual current cost of fulfilling the requirements of the Reclamation Plan, and determined that the current financial warranty amount is insufficient. Staff calculations estimate the cost to reclaim the site to be \$29,770. This is an increase of \$13,270 over the \$16,500 currently held by the Division.

**The successor operator must submit financial warranty in the amount of \$29,770.00 before the Division can approve SO-02.** Please make arrangements with Sara Stevenson-Benn at the Division of Reclamation, Mining and Safety Denver Office, phone no. 303.866.3567, ext. 8148, or sara.stevenson-benn@state.co.us for submittal of the financial warranty. Any questions regarding completion, execution and/or submittal of financial warranty forms should also be directed to Sara.

A mine identification sign was not posted at the entrance to the site. Pursuant to Rule 3.1.12, a sign stating (a) the name of the Operator (Lewis Energy Lands, LLC), (b) that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board, and (c) the permit # (M-2005-012) must be posted and maintained at the entrance to the site by the Successor Operator.

Mining has commenced at the site. Approximately two acres are currently disturbed. A near vertical highwall approximately 20 feet high and spanning approximately 200 feet has been created. Limited overburden and topsoil has been pushed to the south side above the current mining area.

No problems were noted during this inspection.



**Operator Contact Address**

Michael Gray  
Estate of Nick H. Gray  
7877 W Brook Drive  
Littleton, CO 80128

**Successor Operator Contact Address**

Brad Switzer  
Lewis Energy Lands, LLC  
10101 Reunion Place, Suite 1000  
San Antonio, TX 78216