




**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> Uncompahgre Pit	<b>MINE/PROSPECTING ID#:</b> M-2013-007	<b>MINERAL:</b> Gravel and sand	<b>COUNTY:</b> Montrose
<b>INSPECTION TYPE:</b> Monitoring	<b>WEATHER:</b> Clear	<b>INSP. DATE:</b> February 28, 2024	<b>INSP. TIME:</b> 10:30
<b>OPERATOR:</b> Lazy K-Bar Land & Cattle Company, LLLP	<b>OPERATOR REPRESENTATIVE:</b> Zane Luttrell	<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> \$99,409.04
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None
<b>INSPECTOR(S):</b> Dustin Czaplá	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> March 1, 2024

**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:** Financial Warranty

**PROBLEM:** The financial warranty is not adequate to reclaim the site in accordance with the approved reclamation plan. This is a failure to maintain the proper financial warranty amount to complete reclamation of the affected lands pursuant to C.R.S. 34-32.5-117(4)(b) of the Act.

**CORRECTIVE ACTIONS:** The operator shall submit adequate financial warranty, as determined by the Division. The Division will be sending a separate surety increase notice to the operator regarding the increase of the financial warranty. The operator will have 60 days from the date on the surety increase notice to post the additional financial warranty.

**CORRECTIVE ACTION DUE DATE:** 4/30/24

**INSPECTION TOPIC:** Gen. Compliance With Mine Plan

**PROBLEM:** Operator has deviated from approved mining/reclamation plan. The approved plans require concurrent reclamation so that the disturbed pit area is limited to approximately 16 acres. Concurrent reclamation has not taken place and the current disturbed pit area is approximately 75 acres. Because of this, the financial warranty is insufficient.

**CORRECTIVE ACTIONS:** The operator will be notified under separate cover of a financial warranty increase.

**CORRECTIVE ACTION DUE DATE:** 4/30/24

## **OBSERVATIONS**

This inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Zane Luttrell, representing the Operator, was present during this inspection. Photographs are included with this report in order to illustrate conditions observed.

The Uncompahgre Pit is located approximately six miles south of Montrose and accessed from T Road, off of Hwy 50. The site is a 112c operation that includes a total of 244.25 permitted acres. The Division currently holds a financial warranty amount of \$99,409.04 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. The Operator will be notified under separate cover of a financial warranty increase.

**The operator has deviated from the approved mining/reclamation plans which require concurrent reclamation so that the maximum disturbed pit area would be limited to approximately 16 acres. Concurrent reclamation has not taken place and the current disturbed pit area is approximately 75 acres. Because of this, the financial warranty is grossly inadequate. This has been noted as a problem and a Notice of Financial Warranty increase will be sent to the operator under separate cover.**

Mining at the site is progressing to the north. Materials stockpiles are located throughout the pit. Topsoil is stockpiled in different areas around the pit perimeter. The plant area is set up at the top of the access road, in the southwest part of the pit. Import fill and recycled asphalt are stockpiled north of the plant area.

Noxious weed infestations were not noted. Drainage problems were not noted. Fuel stored onsite is in adequate secondary containment.

Adequate mine identification signage was noted at the entrance to the site.

Overall, the site appears well maintained and orderly.

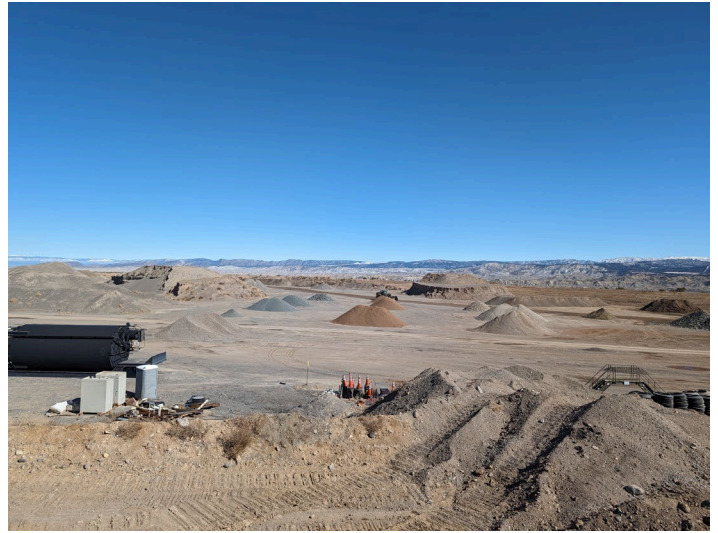
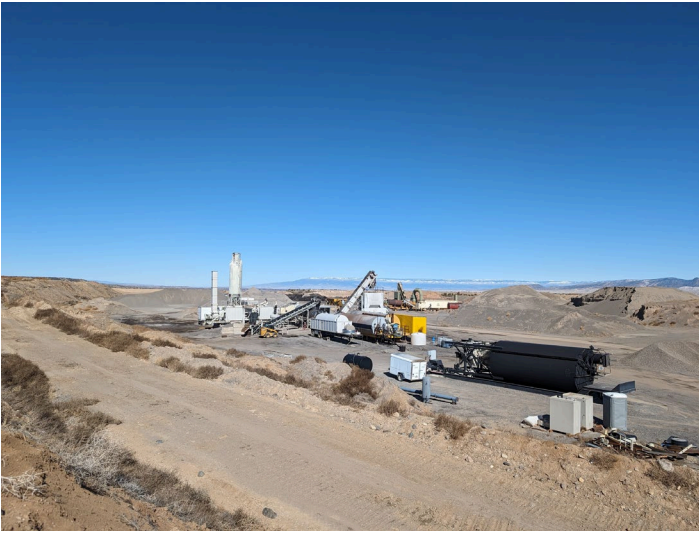
No other problems or violations were noted during this inspection.

Responses to this inspection report should be directed to Dustin Czapla at the Division of Reclamation, Mining and Safety, 1313 Sherman Street Room 215, Denver, Colorado, 80203, phone number (303) 866-3567, ext. 8188.









### **GENERAL INSPECTION TOPICS**

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

(AR) RECORDS----- <u>Y</u>	(FN) FINANCIAL WARRANTY----- <u>PB</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</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>PB</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>NA</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</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

### **Inspection Contact Address**

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Montrose, CO 81403