




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: Ouray County Road 9 / Double RL Ranch	MINE/PROSPECTING ID#: M-2024-036	MINERAL: N/A	COUNTY: Ouray
INSPECTION TYPE: Illegal(Unpermitted Operation)	WEATHER: Clear	INSP. DATE: July 10, 2024	INSP. TIME: 10:26
OPERATOR: Double RL Company	OPERATOR REPRESENTATIVE: Oakley Kelly	TYPE OF OPERATION: ILL – Illegal (Possible)	
REASON FOR INSPECTION: Citizen Complaint	BOND CALCULATION TYPE:	BOND AMOUNT: NA	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Lucas West	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: August 29, 2024	

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>N</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>Y</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>N</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>N</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 by the Colorado Division of Reclamation, Mining and Safety's Active Mines Program in response to an anonymous Citizen Complaint (Copy Enclosed) of a possible unpermitted mining operation. The report was submitted on July 2, 2024 and detailed the existence of separate excavations that appeared to be gravel pits on the same contiguous parcel, owned and operated by the Double RL Company. The two sites are both located along County Road 9, at approximately mile marker 2, and approximately mile marker 6 respectively. The County Road bisects the parcel of private property, and only one of the sites is visible from the road. Upon further investigation of the sites, and their purpose, the site located around mile marker two is herein referred to as the Ranch Pit, and the site located near mile marker 6 will be referred to as the Dam Site. Contact was made prior to the inspection with the Ranch Manager, Oakley Kelly, who accompanied the inspection and represented the Double RL Company. Eight Photos accompany this report to illustrate the observed conditions at both locations.

During the pre-inspection investigation the Division made contact with the Mr. Kelly who explained the situation at the Dam Site area. The Double RL Company operates a water storage reservoir in compliance with their water rights for storage and use. Recently the Double RL Company found the capacity of their reservoir was much smaller that it should be and they began the work to increase the size of that facility which included permitting through the Division of Water Resources (DWR) and the State Engineer's Office (SEO). The Division contacted Jason Ward, Ph.D, P.E. of Division of Water Resources and confirmed that the Double RL Company had engaged Buckhorn Engineering from Montrose, CO and they are actively permitting a water storage facility. Documentation was received from Mr. Ward to confirm.

Dam Site

Upon making contact with Mr. Kelley the inspection began at the Dam Site. The access road for the Dam Site departs County Road 9 and proceeds via private access road across the West Fork Dallas Creek and up to the location of the Carroll Brown Reservoir. In addition to the Company Representative and Inspector listed on Page one of this report, Todd Haynes and Guy Love of Haynes Excavation were present at the Dam Site. At the Reservoir, various earth moving and construction equipment was observed including track hoes, graders, rock haulers, etc. Material is being excavated on the down gradient side of the reservoir, segregated and stockpiled. The excavated area will be the location of the new dam, that will be constructed in compliance with DWR and SEO regulations and approved designs when that approval is granted. The excavation area can be seen in Photos One and Two. An example of the material that has been removed and stockpiled can be seen in Photos Three and Four. All stockpiles appeared stable at the time of the inspection and in excellent condition. Storm water management BMPs such as ring berms and erosion control ditches were noted. All storm water control structures appeared to be functioning as designed and in excellent condition. On-site discussions with the representatives of Haynes Excavation demonstrated that all appropriate stormwater permits from the Colorado Department of Public Health and Environment (CDPHE) have also been obtained. All of the material for the dam construction will be sourced on site, and no import nor export of material is being conducted.

Based on the observations made at the Dam Site, all activities are consistent with the construction of an improved water storage facility. Additionally, after having contacted DWR, and being provided with documentation of the permitting process, the Division has determined that the activities conducted at this site do not qualify as a mining operation and no permit from DRMS is required.

The inspection then proceeded back down County Road 9, however still on property owned and operated by the Double RL Company to the Ranch Pit area.

Ranch Pit Area

The Ranch Pit area is accessed by a private access road that departs County Road 9 around the mile marker two point. Public access to the site is controlled by a locked gate. Mr. Kelly of the Double RL Company and Guy Love of Haynes Excavation also accompanied this portion of the inspection. The site consists of approximately 5.5 acres that is broken down into two main areas, the excavation area and stockpile/equipment storage area. At the stockpile/equipment storage area several stockpiles of processed materials are located. The stockpiles all appeared to be stable at the time of the inspection and in good condition. Examples of the stockpiles can be seen in Photos Five and Six. The yard area contained various equipment such as front-end loaders and excavators as well as construction materials such as HDPE Pipes. All items stored in the yard area are in a neat and orderly manner. On-site discussions with the Operator indicated that the stockpiled material was removed from the excavation area and processed by a local custom crushing company for use on the ranch. The processing of material took place sometime in 2022 and the ranch operations have been utilizing the stockpiles ever since.

The excavation area is a small area that contains an L-shaped "highwall" that is approximately 12 feet tall and spans approximately 60 Linear Feet. The "highwall" appeared stable at the time of the inspection and no evidence of settling or sloughing was noted. Various small stockpiles of broken rock were noted around the "Highwall", but overall, the excavation area is in excellent condition. The area can be seen in Photos Seven and Eight.

The overall footprint of the Ranch Pit area is in excellent condition and free from trash and debris. No evidence of settling, slumping or erosion was noted, and no State Listed Noxious Weeds were observed.

Continued site discussions with the Company Representative, indicate that the Ranch Pit area is utilized for the excavation and processing of materials to be used strictly on Double RL Ranch Property. The Double RL Ranch consists of several thousand acres, and the Ranch Pit is used for surfacing roads, various small construction projects and other ranch uses. Material is transported via County Road 9 at times, however, does remain on the contiguous parcels owned and operated by the Double RL Company, and no material has or will leave the property. Based on the observations made during this inspection, the Division has determined that the activities being conducted at the Ranch Pit Area are for private use on private property and that no DRMS Permit is required for the activities.

All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety's Active Mines Program at Room 215, 1001 E. 62nd Ave. Denver, CO 80216. Direct contact can be made at the Division's Grand Junction Field Office, by phone at 303-919-2997 or by email at lucas.west@state.co.us.

PHOTOGRAPHS



Photo One: View North, showing the excavated area for construction of the new Dam. All material used for the dam is being sourced on site.



Photo Two: View Northwest, showing another view of the Dam construction site. The reservoir has been completely de-watered during the construction.



Photo Three: View Northeast, showing an example of the stockpiled material adjacent to the Reservoir. The stockpiles are all surrounded by ring berms for erosion control and in excellent condition.



Photo Four: View Southwest, showing another example of the stockpiles located adjacent to the Reservoir. Some of the material has been crushed and screened for use during construction.





Photo Seven: Southwest, showing the excavation area at the Ranch Pit Area. The small highwall averages approximately 12 feet tall and runs for approximately 60 Linear Feet.



Photo Eight: View West, showing another example of the excavation area. The highwall and excavation area are in excellent condition and no evidence of sloughing was noted.

Enclosure: Anonymous Citizen Complaint
CC: Travis Marshall, DRMS
Ec: Oakley Kelly, Double RL Company