



DEPARTMENT OF NATURAL RESOURCES

DIVISION OF WATER RESOURCES

Certified Mail: 7007 0220 0000 6709 4947

JAMES NEWMAN
GSL, LLC
4131 SOUTH STATE STREET
CHICAGO, IL 60609

John W. Hickenlooper
Governor

Mike King
Executive Director

Dick Wolfe, P.E.
Director/State Engineer

David L. Nettles, P.E.
Division Engineer

RE: **SHOW CAUSE ORDER – EXPOSED GROUND WATER SURFACE AREA
GSL SAND AND GRAVEL MINE, DRMS PERMIT M-2001-085**

TO: JAMES NEWMAN

Based on the records available to the Division of Water Resources ("DWR"), GSL, LLC is the owner of the following gravel pit well ("Subject Gravel Pit"):

<u>Gravel Pit</u>	<u>WDID</u>	<u>DRMS Permit</u>	<u>Well Permit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
GSL Sand and Gravel Mine	0203018	M-2001-085	57723-F	35	1 South	67 West

The Subject Gravel Pit exposes ground water tributary to the South Platte River to the atmosphere and as such is subject to all applicable rules, regulations and statutes governing the withdrawal and use of water in the South Platte River System. Colorado Revised Statutes ("C.R.S.") prohibits the State Engineer from allowing the operation of a well that cause out-of-priority depletions unless the well is operated in accordance with a plan for augmentation approved by the water judge, or in accordance with a Substitute Water Supply Plan (SWSP) approved by the State Engineer (see § 37-92-308(1)(c)(III), C.R.S.). The State Engineer approved a SWSP (WDID 0202584) for this site on March 22, 2012. This SWSP expires on October 21, 2012.

Condition of Approval #3 in the approved SWSP reads as follows:

"The total surface area of the groundwater exposed at the site must not exceed 15 acres during the approval period of this SWSP, resulting in evaporative losses of 33.85 acre-feet for this plan period."

Prompted by a written complaint, our staff performed a site visit of the subject gravel pit on August 18, 2012. Based on that investigation it appears that more than 15 acres of exposed ground water exist, with a preliminary estimate of 25± acres being currently exposed. Any acreage exposed in excess of 15 acres would be in violation of the approved SWSP and would cause injury to senior water right holders by creating unreplaced out-of-priority depletions to the South Platte River System.

Pursuant to the authority vested in this office by §§ 37-92-501 & 502, C.R.S., you and your agents, employees, lessees, assigns and/or successors are hereby **ORDERED TO SHOW CAUSE WHY ALL DIVERSIONS FROM THE WELL SHOULD NOT BE CURTAILED**. Actions considered sufficient to "Show Cause" would be to:

1. Within 14 days of receipt of this order, provide a professional survey documenting the exposed ground water surface is less than or equal to the approved 15 acres; or
2. Within 14 days of receipt of this order, provide a professional survey documenting the exposed ground water surface is more than the approved 15 acres and within 45 days of receipt of this order apply for an amended SWSP that covers the actual exposed surface area.

Water Division 1 • Greeley

810 9th Street, Suite 200 • Greeley, CO 80631 • Phone: 970-352-8712 • Fax: 970-392-1816
www.water.state.co.us

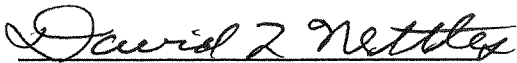
DIVISION OF WATER RESOURCES

GSL, LLC
GSL SAND AND GRAVEL MINE, M-2001-085
SHOW CAUSE ORDER
Page 2 of 2

Failure to comply with this order will result in the issuance of an order to Cease and Desist all uses of the well (gravel pit) including the evaporation of ground water. The diversion of ground water contrary to a valid order of the state or division engineer could subject you to enforcement actions including fines of up to \$500 per day such violation continue per § 37-92-503, C.R.S. Failure to comply with this order may also impact with your current mining permit through the Division of Reclamation, Mining and Safety (DRMS).

Please contact Jonathan Hernandez of this office at the address or phone number listed on the bottom of the first page for further information or any proposed actions you plan to take to address this Order. If you are not the legal owner or representative for the gravel pit, please contact us as soon as possible.

Dated this 21st day of August 2012.



David L. Nettles, P.E.
Division 1 Engineer

ec: Jonathan Hernandez, P.E., Water Resource Engineer, DWR
Joanna Williams, P.E., Div 1 Team Leader, DWR/SEO
Bill Schneider, District 2 Water Commissioner, DWR
Jean Lever, Ground Water Commissioner, DWR
Berhan Keffelew, Environmental Protection Specialist, DRMS
Craig Lis, Martin and Wood Water Consultants, Inc
WDID files (0202584, 0203018)