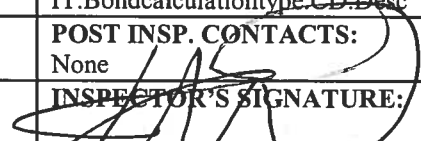




**COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY  
MINERALS PROGRAM INSPECTION REPORT  
PHONE: (303) 866-3567**

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> Franklin and Freighters Friend Shafts	<b>MINE/PROSPECTING ID#:</b> P-2007-069	<b>MINERAL:</b> Gold, zinc, silver and	<b>COUNTY:</b> Clear Creek
<b>INSPECTION TYPE:</b> Mineral Prospect Inspection	<b>INSPECTOR(S):</b> T C. Wait	<b>INSP. DATE:</b> October 9, 2013	<b>INSP. TIME:</b> 10:00
<b>OPERATOR:</b> COAG Corporation	<b>OPERATOR REPRESENTATIVE:</b> Mickey Fouts/John Miner	<b>TYPE OF OPERATION:</b> MP - Mineral Prospecting	

<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> IT.Bondcalculationtype.CD.Desc	<b>BOND AMOUNT:</b> \$7,000.00
<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> October 10, 2013

**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>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>N</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>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>NA</u>	(SP) STORM WATER MGT PLAN---- <u>NA</u>	(SB) COMPLETE INSP---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>NA</u>	(ST) STIPULATIONS----- <u>NA</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 was a routine inspection to evaluate the reclamation progress for the NOI. The Franklin Mine permit was revoked in 2009 and the mine site was reclaimed, including the demolition the mill, pump house, sheds, and trailers on the site. Additionally the Gibson Gulch area was reclaimed. The current NOI permit is not related to the revoked permit, and only includes the Franklin and Freighters Friend shafts, shaft houses, and adjacent areas. The site sits at about 8200 feet elevation along Gibson Gulch north of Idaho Springs.

Mr. Mickey Fouts and Mr. John Miner were contacted regarding the inspection, but neither were available to be present for the inspection.

The annual fees are up to date, and the last annual report was submitted in November 2012. There is \$7,000 in bond for this site. The annual report indicates that prospecting activity is expected to end in 2014 (Rule 5.6.1(e)).

This NOI permit indicates that minimal surface disturbance was proposed related to the NOI. The shafts and tunnels, buildings, and roads disturbances pre-date the NOI. No new disturbance was noted during the inspection, with the exception of a small pile of debris east of the Franklin Shaft house.

As stated above, portions of the site were reclaimed by DRMS in 2009 after the Franklin Mine permit was revoked (unrelated to this NOI permit). There is minimal vegetation regrowth from this reclamation effort. Additionally, there are areas that are severely eroded/washed out from the rain in September 2013. Some of the bank above the Freighters Friend shaft house appears to have rolled toward the southern wall of the structure, despite the stabilization fence on the slope above. Some areas of soil staining from equipment were noted, although it is not clear if this is related to the NOI activity or not.

### **RECOMMENDATIONS:**

The site is generally in good condition, given the heavy mining history of the site. Continued slope sloughing may be a problem near the Freighters Friend shaft, and may need additional stabilization to prevent further slope ravel.

**PHOTOGRAPHS**



Photo 1: Freightier's Friend shaft (left background) and Franklin shaft (right foreground) with 2009 reclamation work, looking up Gibson Gulch (view to NW).



Photo 2: Franklin Shaft with metal cover. Debris/trash in background.





Photo 3: Small pile of soil/debris east of Franklin Shaft house.



Photo 4: Freightier's Friend shaft and shaft house (background) with soil stains in foreground.





Photo 5: Slope sloughing/rolling into southern wall of Freighter's Friend shaft house. Note chainlink fencing as stabilization effort.



Photo 6: Erosion and exposed pipe along access road from September 2013 rains.



**Inspection Contact Address**

Mr. Mickey Fouts  
COAG Corporation  
200 South Wilcox Street  
PO Box 402  
Castle Rock, CO 80104

Enclosure

CC: Tom Kaldenbach, DRMS  
Michael Cunningham, DRMS

