



**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> Camp Bird Mine	<b>MINE/PROSPECTING ID#:</b> M-1982-090	<b>MINERAL:</b> Gold, silver, lead, zinc	<b>COUNTY:</b> Ouray
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Wallace H. Erickson	<b>INSP. DATE:</b> September 20, 2013	<b>INSP. TIME:</b> 09:00
<b>OPERATOR:</b> Camp Bird Colorado, Inc.	<b>OPERATOR REPRESENTATIVE:</b> Mike Thompson	<b>TYPE OF OPERATION:</b> 112 - Hard Rock Regular Operation	

<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> Partial Bond	<b>BOND AMOUNT:</b> \$90,000.00
<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> <i>Wallace H. Erickson</i>	<b>SIGNATURE DATE:</b> October 17, 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>N</u>	(FN) FINANCIAL WARRANTY----- <u>Y</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>Y</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>N</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(SB) COMPLETE INSP---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>N</u>	(ST) STIPULATIONS----- <u>N</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 inspection occurred as part of the Division's routine monitoring of permitted operations and to document the advance of plans approved through TR-04. Pursuant to the plans approved through TR-04, the Operator intends to cease final reclamation and reactivate the mining operation. However, mining may not reactivate until the Operator fully characterize baseline hydrologic conditions through the collection and analysis of at least five consecutive quarters of water samples taken from designated locations. These five quarters of sampling are in addition to the hydrologic data already available for the site. TR-04 was approved September 20, 2012. The Camp Bird Mine is approved for 35 acres affected lands, located within a 41-acre permit boundary, for the purpose of underground extraction of base and precious metals ore. The operation is not approved for on-site milling. The Division holds \$90,000 financial warranty. This report is accompanied by six photos.

The 14L portal has been re-established with newly constructed steel sets, rail, and drainage conveyance structures routing portal drainage to a new sediment pond. The new portal is secured against unauthorized entry by lockable steel grate closure. Concrete footers had been poured to support a snow shed which will ultimately provide sheltered access between the portal and shop building, as well as shelter for the rail line beyond the shop to the ore bin. Rail line had been advanced from the 14L portal to the new shop building and ore bin.

Nearby the 14L portal the Operator has constructed a new steel building, approximately 80 x 100 feet, intended as a shop and maintenance facility. The superstructure appeared complete. Interior lighting was functional. Foam insulation had been installed in portions of the building. Several 55-gallon drums of insulation were stored within the shop building and available for installation. Concrete floor had not yet been installed. Rail line from the 14L portal entered the shop's southwest corner. Rail line and concrete footers for a snow shed from the 14L portal had also been advanced along the shop's south side to ultimately advance to the ore bin.

Concrete ore bin, located immediately east of the shop building, was under construction. Steel framing members for the snow shed were stockpiled beyond the ore bin area.

Construction activities appeared to have temporarily ceased and the plans approved through TR-04 have not yet been completed. Subsequent to the approval of TR-04 the Division provided notice of its determination of the Camp Bird Mine as a DMO. The Operator has disagreed with the Division's DMO determination. Therefore, caution is advised regarding completion of construction of the structures approved through TR-04, specifically the ore bin and any other structure which could be designated as an Environmental Protection Facility under Rule 6.4.21, until the dispute is resolved.

#### **Inspection Contact Address**

Scott Butters  
Camp Bird Colorado, Inc.  
P.O. Box 806  
Salt Lake City, UT 84110

ec w/enclosure: Scott Butters, CBCI; Mike Thompson, Reardon Steel; Russ Means, DRMS GJFO



Camp Bird Mine  
M-1982-090  
September 20, 2013



View south, showing recent upgrades to the 14L portal. Unauthorized entry is discouraged by the locked steel grate closure. Concrete footers appeared ready for construction of the snow shed, which will cover the rail line approach to the portal. Mine drainage is routed west, across Imogene Creek, and south to the sediment pond.



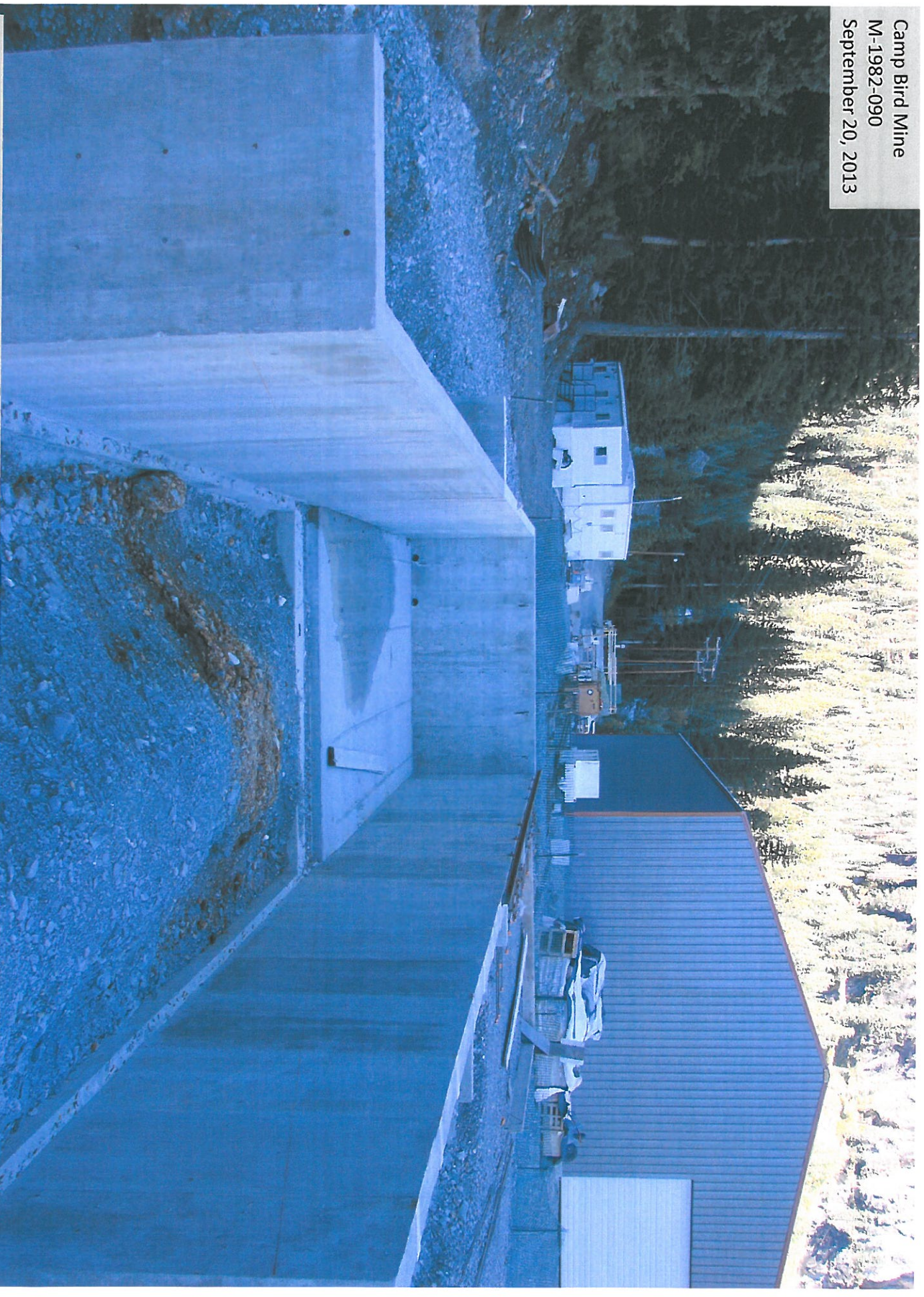
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View north, taken from the 14L portal and showing the recently constructed 80 x 100 foot steel building. Concrete footers appeared ready for construction of the snow shed, which will cover the rail line from the steel building to the portal and beyond the steel building to the ore bin.



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View southwest, showing the recently constructed 80 x 100 foot steel building and on-going construction of the ore bin.



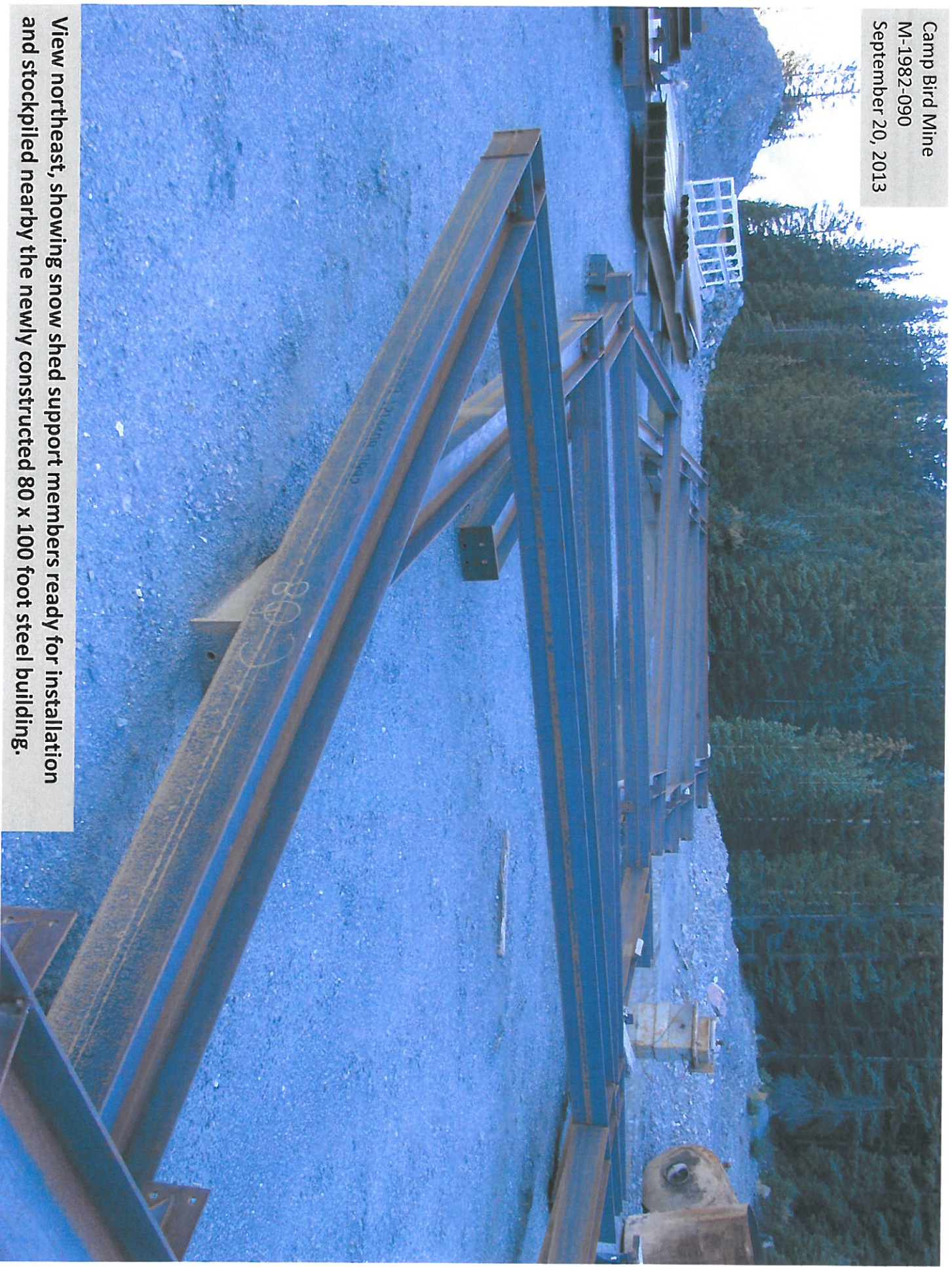
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View south, showing portions of the newly constructed 80 x 100 foot steel building and rail line from the 14L portal.



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View northeast, showing snow shed support members ready for installation and stockpiled nearby the newly constructed 80 x 100 foot steel building.



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View west, taken nearby the 14L portal, showing intake flume for routing portal drainage. The 30 inch HDPE pipeline on the left routes portal drainage to the sediment pond. The pipeline on the right bypasses the sediment pond and discharges directly to Imogene Creek. Portal drainage was estimated at 700 gpm.

