




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.

MINE NAME: White Banks Mine	MINE/PROSPECTING ID#: M-1999-042	MINERAL: Alabaster, marble, quartz	COUNTY: Pitkin
INSPECTION TYPE: Monitoring	INSPECTOR(S): Dustin M. Czapla	INSP. DATE: November 12, 2013	INSP. TIME: 11:00
OPERATOR: Avalanche Creek Marble & Alabaster LLC	OPERATOR REPRESENTATIVE: Robert Congdon, Walter Brown	TYPE OF OPERATION: 110c - Construction Limited Impact	

REASON FOR INSPECTION: Surety related	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$15,525.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: November 18, 2013

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.

1. INSPECTION TOPIC: Financial Warranty

PROBLEM/POSSIBLE VIOLATION: 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: 01/17/2014

OBSERVATIONS

This inspection was conducted in order to document the existing site conditions so that the Division could reevaluate the necessary amount of required financial warranty. Robert Congdon and Walter Brown, representing the Operator, were present. Photographs are included with this report in order to illustrate some of the conditions observed.

The White Banks Mine is located approximately ten miles south of Carbondale and accessed from Avalanche Creek Road (FR 310). The site is a 110c operation that includes a total of 3.5 permitted acres. The Division currently holds a financial warranty amount of \$15,525.00 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.

South side of FR 310

The bath house has been disconnected from power and staged for removal. The various refuse and debris, that was located outside the bath house, and the flat-bed gooseneck trailer has been removed from the area. The "temporary" stockpile of material, which was addressed through TR-2 in 2004, was still located in the southeast part of the conifer grove.

North side of FR 310

Equipment that is not considered necessary to the operation has been removed from this area.

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, Grand Junction Field Office, 101 South 3rd Street, Room 301, Grand Junction, Colorado 81501, phone number (970) 243-6299.

PHOTOGRAPHS

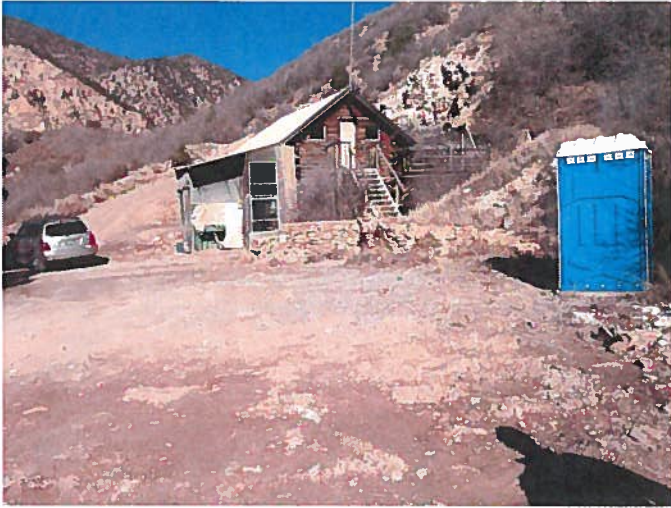


Figure 1: Cabin area on north side of FR 310.



Figure 2: Equipment considered necessary for the mining operation stored on north side of FR 310.



Figure 3: Bathhouse staged for removal in parking/staging area on south side of FR 310.



Figure 4: Prior location of bathhouse cleaned up.

GENERAL INSPECTION TOPICS

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

(AR) RECORDS----- <u>N</u>	(FN) FINANCIAL WARRANTY----- <u>PB</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>N</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>	(SB) COMPLETE INSP---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>N</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

Inspection Contact Address

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