



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: SR-11 Mine	MINE/PROSPECTING ID#: M-1977-451	MINERAL: Uranium & vanadium	COUNTY: San Miguel
INSPECTION TYPE: Monitoring	INSPECTOR(S): Bob Oswald	INSP. DATE: July 29, 2014	INSP. TIME: 10:00
OPERATOR: Cotter Corporation	OPERATOR REPRESENTATIVE: Glen Williams	TYPE OF OPERATION: 112d-1 - Designated Mining Operation	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$100.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: U.S. Dept. of Energy, and U.S. BLM	JOINT INSP. AGENCY: U.S. Dept of Energy, and U.S. BLM
WEATHER: Cloudy	INSPECTOR'S SIGNATURE: <i>Bob Oswald</i>	SIGNATURE DATE: August 25, 2014

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>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>NA</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>NA</u>	(FW) FISH & WILDLIFE----- <u>NA</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>NA</u>	(SB) COMPLETE INSP---- <u>NA</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>NA</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 conducted by the Division as part of its monitoring of 112d-1 permits. The operator named on page one was present throughout the inspection. Other also present during the inspection were James Blair of the BLM, and three representatives from Stoller (contractor for the DOE): Ed Cotter, Kyle Turley and Dean Tomaschko. The site was not active on the day of the inspection.

The required permit ID sign was observed posted at the entrance to the permitted area. Permit boundary markers were installed at the boundary corners and along the permit boundary.

Features observed at the main portal area included steel portal shed with secured entry, water tank, office trailer, operations pad on the waste rock dump, and stormwater berms, ditches and pond area. A stockpile of growth medium was near the portal. There was no propane tank or explosives magazine on the site. The stormwater pond area did not contain any impounded water at the time. There was a small stockpile of boulders south of the portal and pad, to be used for backfilling the decline at the time of final reclamation.

The southwest end of the dump slope is pocked, as slopes will be throughout the site when they are reclaimed. If this part of the site will not be redisturbed by deposition of more waste rock or other activities, the pocked area could be seeded. Since successful revegetation of the site may take several seasons, the operator is encouraged to prepare such areas that will not be redisturbed and seed them sooner.

Other required reclamation activities that were discussed were the eventual removal of the office trailer and water tank. The decline will be backfilled with debris and the boulders, followed by the removal of the steel portal shed, and the recontouring of the portal and waste rock dump.

Some areas have been seeded, with mixed success, and other areas have become naturally vegetated. There were no noxious weeds, but some areas exhibited Russian thistle as the predominant species. This is not a problem, but if the weeds spread further on areas that will need to be vegetated, it could become more difficult. The operator must, at least, continue to monitor for noxious weeds and treat them promptly if they are observed.

After the inspection and discussion at the main portal area, the group drove to the former portal area (known as the Ike #1), which is still included in this permit, to view its reclamation. All reclamation there is finished: there was no more debris or structures, all recontouring grading and topsoil replacement have been finished, and revegetation has produced a diverse, self-regenerating stand of grasses, which is complemented by volunteer encroachment of native shrubs. The Ike #1 area of the permit would be eligible for release if the operator requested it. (Please refer to Hard Rock and Metals rule 4.14 and 4.17 for the bond reduction procedure.)

The bond being held by the Division for this permit is \$100, but the remainder is posted to the U.S. DOE. A bond review will be performed by the Division, and the figures compared to those generated by DOE, to ensure the aggregate bond amount is sufficient.

For questions related to this report, please contact this inspector at the Division's Durango Field Office: telephone 970-247-5193, or 303-866-3567 ext 8175.

All written correspondence should be sent directly to the Division's Denver Office:
Division of Reclamation, Mining & Safety
1313 Sherman Street, Room 215
Denver, CO 80203

Inspection Contact Address

Glen Williams
Cotter Corporation
7800 E. Dorado Place, Suite 210
Englewood, CO 80111

EC: Ed Cotter, Stoller Corp.
James Blair, BLM, Tres Rios Field Office

PHOTOGRAPHS



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