




**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> Profitt	<b>MINE/PROSPECTING ID#:</b> M-1991-054	<b>MINERAL:</b> Gold and silver	<b>COUNTY:</b> Saguache
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Bob Oswald	<b>INSP. DATE:</b> September 23, 2014	<b>INSP. TIME:</b> 12:00
<b>OPERATOR:</b> Indian Creek Mining Corp.	<b>OPERATOR REPRESENTATIVE:</b> None	<b>TYPE OF OPERATION:</b> 110(1) - Hard Rock Limited Impact	

<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> None	<b>BOND AMOUNT:</b> \$1,500.00
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None
<b>WEATHER:</b> Foggy	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> October 20, 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>NA</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>NA</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>NA</u>	(SF) PROCESSING FACILITIES----- <u>NA</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>NA</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>NA</u>	(SB) COMPLETE INSP---- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>NA</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</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 Hard Rock 110(1) permits. The operator was not present during the inspection. The site was not active on the day of the inspection. This inspector did happen to meet the operator on the road up to the mine, affording the opportunity to discuss recent activities there. The mine was in thick fog at the beginning of the inspection, but it had cleared by the end of the inspection. The site is located at treeline, at the head of the Indian Creek drainage.

The required permit ID sign was observed posted at the entrance gate to the permitted area. Permit boundary markers were installed at the boundary corners of the upper area. The permitted area is divided into two separate rectangles, the upper one encompassing the former shaft location, staging pad, overburden storage area, and the highwall that is actively mined; and the lower one which includes the portal and waste rock dump/pad. The operator has not disturbed the lower portal area, but since it is also included in the permit, its boundaries must also be marked (the same type of T-posts will be fine to use). The permit map is old and should be updated in upcoming annual report, to reflect current conditions.

The operator stated that he had mined about 5 tons of ore during the 2014 mining season. It was getting late in the season, and it was currently too muddy to excavate. At the site, it was noted that there was a small dozer parked on the pad near the highwall, and an accumulation of small tools and a gasoline generator were also on the site. There was no junk or stored fuel noted.

The ore occurs in a nearly-vertical vein, about 2-3 feet thick. In order to remove the ore more effectively, much of the surface material on the pad has been scraped away and placed in the overburden storage area at the north end. This has lowered the pad elevation by about 2 feet throughout the upper pad area. The operator is reminded that all overburden that is moved must be placed in the waste rock area on the north; no material can be pushed over the edge of the pad onto the slope. There was no stockpile of ore, and there is no mineralized water puddled on the pad or in runoff from the site.

The lower portion of the site contains an old portal with crosscut leading back to the vein, but the adit is caved. It is not completely closed and it has not been used in many years. If the operator does not plan to use the portal, it should be sealed; if there are future plans to rehab it, it should be secured against unauthorized entry. The lower pad that was created from waste rock has not been recently disturbed either. (The operator should note that there is an empty 30-gallon steel drum on the lower pad that must be removed from the site. It is not a contaminant, but it is liable to roll off the pad.) The lower pad area is becoming revegetated by encroachment of native vegetation.

The bond is capped by statute at \$1500. There were no problems noted. 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**

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Indian Creek Mining Corp.  
PO Box 350  
Kodiak, AK 99615

Photographs from the inspection are below and on the following page.

**PHOTOGRAPHS**





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