




**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> Revenue Mine	<b>MINE/PROSPECTING ID#:</b> P-2013-006	<b>MINERAL:</b> Ag, Au, Pb, Cu, Zn	<b>COUNTY:</b> Ouray
<b>INSPECTION TYPE:</b> Mineral Prospect Inspection	<b>INSPECTOR(S):</b> Bob Oswald	<b>INSP. DATE:</b> October 3, 2014	<b>INSP. TIME:</b> 14:30
<b>OPERATOR:</b> Star Mine Operations	<b>OPERATOR REPRESENTATIVE:</b> None	<b>TYPE OF OPERATION:</b> MP - Mineral Prospecting	

<b>REASON FOR INSPECTION:</b> Surety Release Requested	<b>BOND CALCULATION TYPE:</b> None	<b>BOND AMOUNT:</b> \$7,720.00
<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 23, 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>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>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>NA</u>	(SF) PROCESSING FACILITIES----- <u>NA</u>	(TS) TOPSOIL----- <u>NA</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>NA</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>NA</u>	(SP) STORM WATER MGT PLAN---- <u>NA</u>	(SB) COMPLETE INSP---- <u>NA</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>NA</u>	(SC) EROSION/SEDIMENTATION--- <u>NA</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 follow-up inspection conducted by the Division in response to the operator's request for bond release of a mineral prospecting notice (NOI). The operator was not present during the inspection. There was new snow cover on upper areas that were affected by this project; the snow had melted in the lower areas.

Several drill hole locations that are known to have been affected due to previously reported activities from the operator, were inspected by this office in August 2014 to verify the adequacy of the reclamation. There were some debris items noted still on the surface in the vicinity of the drill holes below the Virginus Mine low grade ore pile, which the operator was instructed to remove. Not all of the drill sites were inspected on the day of the August 2014 inspection, so several more drill sites were inspected during this inspection.

This inspector attempted to access the drill sites up in Silver Basin. However, they were not inspected at this time since the road up into the basin was snowy and not passable.

The drill sites along the access road to the Lower Mountain Top Mine (lower Governor Basin area) were inspected. The three sites indicated on the operator's release request (revision SL-01) map were located. These sites exhibited no open drill holes and clean up was complete. The lowest drill site was on the primary dirt road, the upper two drill sites were on a short spur road.

As explained in the Division's report for the August 20, 2014 inspection, the materials submitted by the operator with this release request are considered deficient for use in assessing the adequacy of the final reclamation of all drilling related disturbance, even when earlier file materials are consulted. The Division instructed the operator provide better reclamation information and evidence of debris removal, which was to be submitted by October 20, 2014. As of the date of the writing of this report, no further materials have been received by the operator, and the Division is not able to fully assess the reclamation at this time. The inability of the Division to assess the completed reclamation is affected by the deficiency of the release request materials and by the limiting ground conditions. However, since the operator has not provided any information specified by the Division, the Division cannot approve the full release of this prospecting project at this time.

The operator may request full release at a future date, if sufficient verification of full reclamation is provided. Alternatively, since some completed reclamation has been observed by the Division, the operator may request partial release (bond reduction) of this project. Approval would depend on the operator providing sufficient specific information, and corroborated by the Division's observations of that reclamation. The procedure for requesting bond reduction is the same as that for requesting full release.

Based on current status of submitted materials, the Division will deny this release request, and a formal decision letter will be mailed to the operator under separate cover. 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**

Rory Williams  
Star Mine Operations, LLC  
1675 Larimer St, Suite 820  
Denver, CO 80202

EC: none

Photographs of the inspection are on the following page.



PHOTOGRAPHS

