




**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> Monogram Mines	<b>MINE/PROSPECTING ID#:</b> M-1978-222-UG	<b>MINERAL:</b> Uranium and vanadium	<b>COUNTY:</b> Montrose
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Dustin M. Czapla	<b>INSP. DATE:</b> November 12, 2014	<b>INSP. TIME:</b> 11:00
<b>OPERATOR:</b> Nuvemco, LLC	<b>OPERATOR REPRESENTATIVE:</b> Paul Szilagyi	<b>TYPE OF OPERATION:</b> 112d-1 - Designated Mining Operation	

<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> None	<b>BOND AMOUNT:</b> \$46,450.00
<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> November 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. 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>N</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</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>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION--- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN--- <u>N</u>	(SB) COMPLETE INSP--- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</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 was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Paul Szilagyi, representing the Operator, was present during this inspection. Photographs are included with this report in order to illustrate some of the conditions observed.

The Monogram Mines site is located approximately twelve miles west of Naturita and accessed from Dd 16 Road. The site is a 112d operation that includes a total of 48.38 permitted acres. The Division currently holds a financial warranty amount of \$46,450.00 for this site. The Division will review the reclamation costs in order to ensure the financial warranty reflects the actual current cost of fulfilling the requirements of the Reclamation Plan. The Operator will be notified under separate cover if the Division determines that the current financial warranty amount is insufficient.

Adequate mine identification signage was noted on the gate at the entrance to the site.

The affected area was marked by posts and landmarks that were clearly visible and adequate to delineate the affected area boundary.

The Environmental Protection Plan was approved in 2009. Construction of environmental protection facilities has not yet commenced. Since the the Division's last inspection, activity at the site has consisted of site maintenance and reclamation of drill holes. All drill holes observed during the inspection had been plugged. The abandonment report has not yet been submitted by the operator. The report is to be submitted within twelve months after completion of drill hole abandonment.

Site stormwater controls have been constructed to direct flow around the staging area to the location of the approved retention basin. The retention basin has not been constructed yet. An earthen berm has been constructed at the north end of the staging area to retain stormwater until the approved stormwater controls are constructed. These temporary stormwater controls appear to be effective.

The ore bins are not yet constructed. Mining has not commenced and no ore or waste rock has been generated.

Overall site conditions are orderly. No 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 3<sup>rd</sup> Street, Room 301, Grand Junction, Colorado 81501, phone number (970) 243-6299.

## PHOTOGRAPHS



Figure 1: Mine entrance



Figure 2: Staging area looking toward future ore bin location



Figure 3: Staging area



Figure 4: Earthen berm at north end of staging area



Figure 5: Diversion ditch constructed around staging area

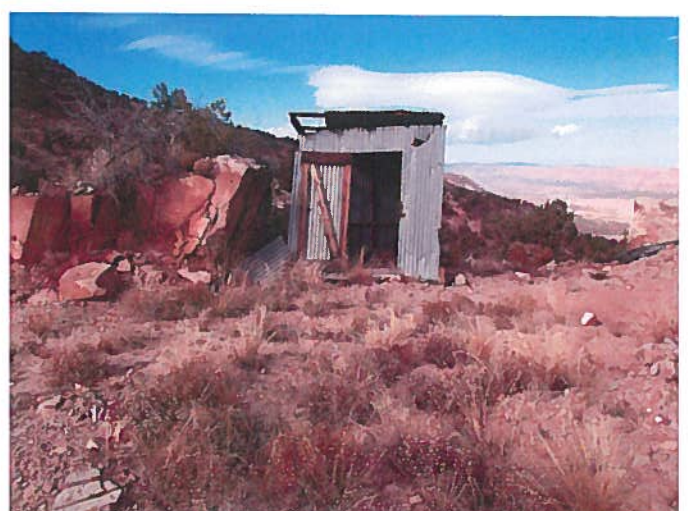


Figure 6: Future area of surface mining



Figure 7: Future area of surface mining



Figure 8: Future area of surface mining

**Inspection Contact Address**

Paul Szilagyi  
Nuvemco, LLC  
P. O. Box 1120  
Broomfield, CO 80038