




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: Topaz Mine	MINE/PROSPECTING ID#: M-1980-055-HR	MINERAL: Uranium and vanadium	COUNTY: San Miguel
INSPECTION TYPE: Multi Person Inspection	INSPECTOR(S): Bob Oswald, Lucas West	INSP. DATE: June 1, 2015	INSP. TIME: 13:45
OPERATOR: Pinon Ridge Mining LLC	OPERATOR REPRESENTATIVE: George Glasier	TYPE OF OPERATION: 112d-3 - Designated Mining Operation	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$94,791.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: U.S.BLM	JOINT INSP. AGENCY: U.S.BLM
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: June 16, 2015

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>NA</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>N</u>
(MP) GENL MINE PLAN COMPLIANCE-	<u>Y</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>N</u>
(ES) OVERBURDEN/DEV. WASTE-----	<u>NA</u>	(SC) EROSION/SEDIMENTATION---	<u>Y</u>	(RS) RECL PLAN/COMP--	<u>N</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 Hard Rock and Metals 112d-3 DMO permits. The operator named on page one was present throughout the inspection. Also present was James Blair of the BLM, and Lucas West of DRMS. The site was not active on the day of the inspection.

The operator has installed an updated permit ID sign, which was observed posted on the building just inside the entrance gate to the permitted area. Boundary markers (steel T-posts) of the affected areas were installed at the boundary corners. Remote vent shaft sites were identified with appropriate signage. [Note: There were signs at some shafts that still exhibited the name of the former operator, which should be updated. The new signs should also contain the correct identification of that specific shaft.]

The site was mostly dry, but recent rains have left some runoff impounded in some of the sediment catchments. These all appeared to be maintained in good condition, but the operator is reminded that they should be monitored and cleaned out to maintain their intended capacity.

The portal pad is intact and well bermed. The portal is backfilled inside the steel arch sets and locked steel grate. The building was closed and secure. There is no fuel stored at the site. There were some parts related to underground ventilation duct piled outside the portal area.

The ground water quality monitoring that is required in the Environmental Protection Plan (EPP) for this DMO permit is continuing. There is a total of six monitoring wells required under the EPP, some of which were installed a year or two before the latter ones. A series of samples from consecutive quarters was required from each of them, with less-frequent periodic sampling to occur while the site is inactive, and after the site reactivates. Sample results are to be submitted to the Division promptly.

[It is noted here that since the Topaz Mine permitted area is so extensive, and it adjoins the other four permitted areas of this "Sunday Mine Complex," that all six of the monitoring wells mentioned above are within this permitted area, but they also serve to represent the prevailing water quality for all five of these DMO permits. For further information, please see the EPP for the "Sunday Mines."]

There was some knapweed noted during the inspection in the access road ditch. The majority of the knapweed is along the road and in the ditch. This is a small patch and the operator must identify and aggressively treat this area this year and next year, to completely eliminate it. If the patch is observed in upcoming inspections to be spreading, this may become a problem. There is also some halogeton that still appears to be present on lower parts of the roadway.

The knapweed patch along the upper end of the access road is also in a 20-inch deep eroded gully at the edge of the road; the causes of this erosion should be remedied this summer. If it appears to be unaddressed or is worsening, it may become a problem in future inspection reports.

For questions related to this report, please contact the Division at: 303-866-3567.

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

George Glasier
Pinon Ridge Mining LLC
P O Box 825
Nucla, CO 81424

EC: James Blair, BLM (via email)
Lucas West, DRMS (via email)

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

PHOTOGRAPHS



PHOTOGRAPHS

