

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:	MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
Blue Star #1	M-2014-030	Gemstones	Chaffee
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring	Dustin Czapla, Michael Cunningham	September 3, 2015	15:00
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Blue Star Exploration, LLC		110(2) - Hard Rock Limited Impact	

BOND CALCULATION TYPE:	BOND AMOUNT:
None	\$4,880.00
POST INSP. CONTACTS:	JOINT INSP. AGENCY:
None	None
INSPECTOR'S SIGNATURE:	SIGNATURE DATE:
	September 14, 2015
	POST INSP. CONTACTS: None

GENERAL INSPECTION TOPICS

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. 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 Y	(RD) ROADS <u>Y</u>
(HB) HYDROLOGIC BALANCE Y	(BG) BACKFILL & GRADING <u>N</u>	(EX) EXPLOSIVES <u>NA</u>
(PW) PROCESSING WASTE/TAILING <u>NA</u>	(SF) PROCESSING FACILITIES <u>N</u>	(TS) TOPSOIL <u>NA</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE <u>N</u>	(RV) REVEGETATION <u>NA</u>
(SM) SIGNS AND MARKERS Y	(SW) STORM WATER MGT PLAN <u>NA</u>	(CI) COMPLETE INSP Y
(ES) OVERBURDEN/DEV. WASTE <u>NA</u>	(SC) EROSION/SEDIMENTATION <u>N</u>	(RS) RECL PLAN/COMP N
(AT) ACID OR TOXIC MATERIALS \underline{Y}		

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 monitoring inspection. An operator representative was not present. Photographs are included with this report in order to illustrate the conditions observed.

The Blue Star #1 site is located on the south side of Mount Antero, approximately 10.5 miles west of Nathrop, and is accessed from FR 277. The site sits above tree line at approximately 13,700 feet. Little to no topsoil or vegetation exists in the mining areas.

An excavator is used for mining. No fuels or lubricants are stored on site though. Mining is occurring in Target Area A. Less than an acre has been disturbed by the operation thus far.

The following problems shall be corrected as soon as possible:

- Pursuant to Rule 3.1.12 (1), place a sign at the entrance to the site <u>that includes the name of the</u> operator, a statement that a reclamation permit has been issued by the Colorado Mined Land <u>Reclamation Board</u>, and the permit number.
- 2. Mark the permit area boundary. <u>Markers shall be clearly visible and adequate to delineate the permit</u> <u>boundary</u>.

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 3rd Street, Room 301, Grand Junction, Colorado 81501, phone number (970) 243-6299.

PERMIT #: M-2014-030 INSPECTOR'S INITIALS: DMC INSPECTION DATE: September 3, 2015

PHOTOGRAPHS



Figure 1: Inadequate mine ID sign



Figure 3: Dig/screening area

Inspection Contact Address

Tommy Cardwell Blue Star Exploration, LLC 17914 Asphodel Ln. Spring, TX 77379



Figure 2: Dig/screening area



Figure 4: Current dig area