




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: Hawkeye Mine	MINE/PROSPECTING ID#: M-1978-311	MINERAL: Uranium and vanadium	COUNTY: San Miguel
INSPECTION TYPE: Multi Person Inspection	INSPECTOR(S): Lucas J. West, Russ Means	INSP. DATE: November 23, 2015	INSP. TIME: 15:00
OPERATOR: Gold Eagle Mining, Inc.	OPERATOR REPRESENTATIVE: Don Coram	TYPE OF OPERATION: 110d - Designated Limited Impact	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$100.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: DOE
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: December 15, 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>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>N</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>N</u>	(SW) STORM WATER MGT PLAN---- <u>N</u>	(CI) 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>Y</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 by the Division as part of its monitoring of Hard Rock and Metals 110d permitted operations. The Hawkeye Mine is listed as an active 110d operation that consists of 9.7 permitted acres. The site is part of the ongoing injunction with the Department of Energy (DOE) and was not active during this inspection. In addition to the inspectors and Operator listed above, Kyle Turley and one other contractor for the DOE were present during the inspection. The Division currently holds \$100.00 in financial warranty for the site, with the remainder being held by the DOE. Three Photos accompany this report to illustrate the current site conditions.

The site includes a steel ore hopper, as seen in Photo One. The hopper is empty and free standing in a natural drainage located on the site. Discussions with the Operator indicate they would like to do some stabilization work to ensure it does not fall over, however due to the injunction, the work cannot commence. Also located on site is the historic waste rock pile that had been recontoured and topsoiled some time ago. Photo Two shows the waste rock pile that is well vegetated and stable. Also located onsite is the portal to the underground workings that is sealed and closed with a welded steel closure. The portal was not inspected at this time, but was observed and was deemed stable during a previous site visit.

The site contains a natural drainage and the storm water controls lead to this natural drainage. The Operator was approved by the DOE to access the site to perform maintenance on the storm water control measures. The maintenance work was being conducted at the time of the inspection. Contractors for the DOE were present and supervising the activity. The storm water controls lead through the site, down the natural drainage to a small "sediment pond" near the County Road. The sediment pond shown in Photo Three, is well vegetated to dissipate flows and was in good condition.

The overall footprint of the site was in good condition and was free from trash and debris. The site exhibits positive drainage and no significant erosion was observed during this inspection. The lower area as well as the natural benches contained within the site are well vegetated and stable. No noxious weeds were observed within the permit area during the site visit. No problems or possible violations were found during this inspection.

All responses to this report should be directed to Lucas West at the Division of Reclamation, Mining and Safety at 1313 Sherman Street, Room 215, Denver, CO 80203 or by phone at (970)-243-6368.

PHOTOGRAPHS

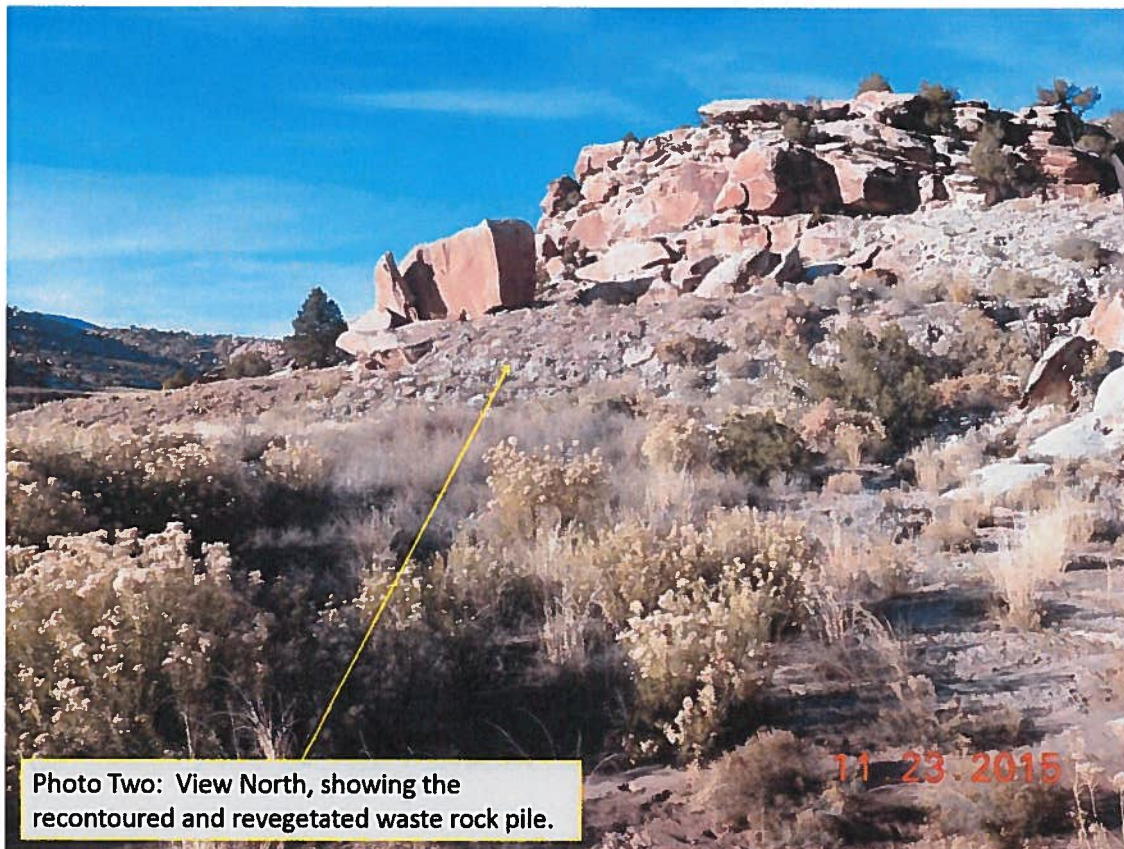
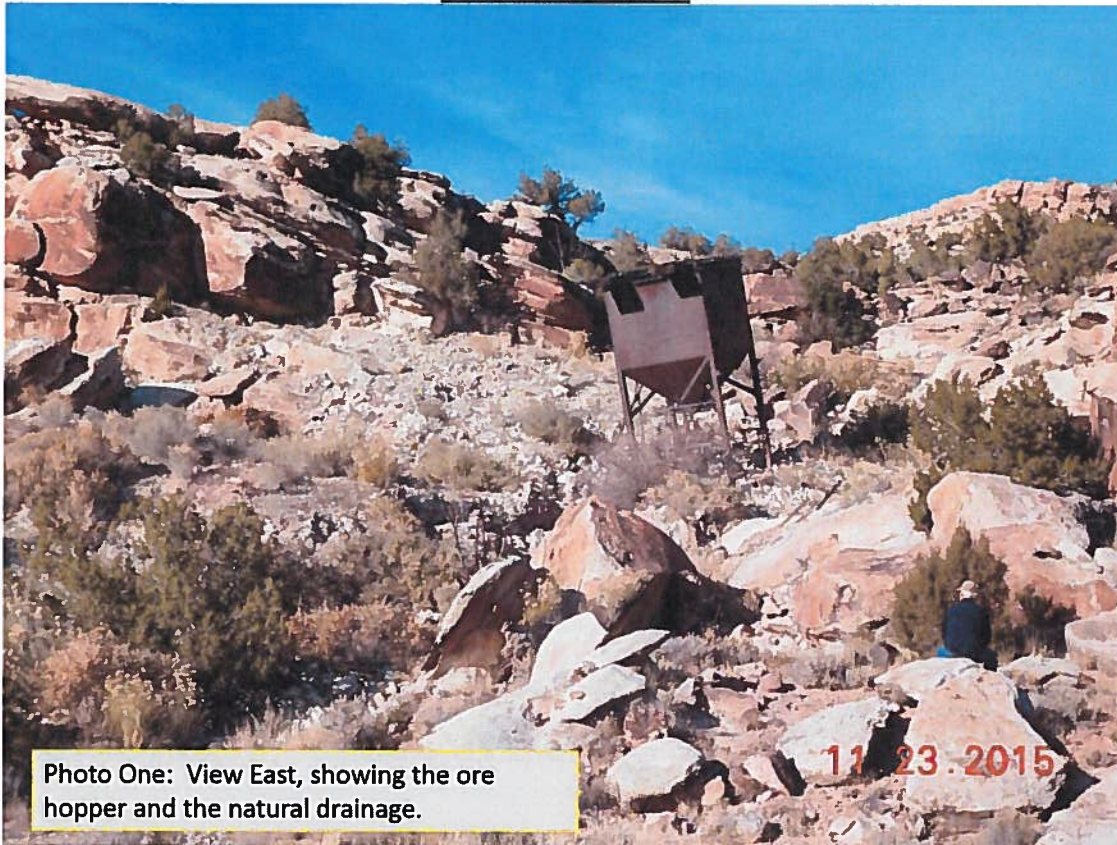
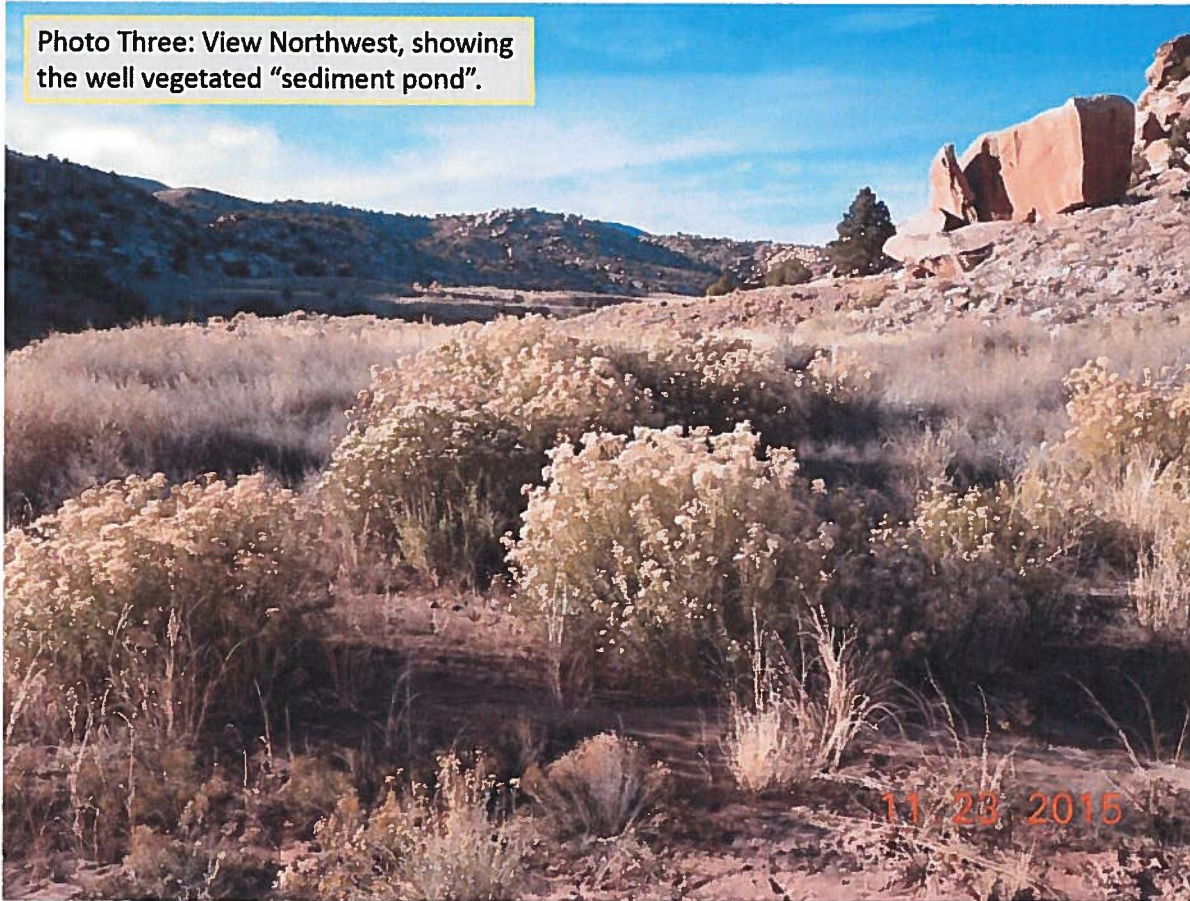


Photo Three: View Northwest, showing the well vegetated "sediment pond".



Inspection Contact Address

Don Coram
Gold Eagle Mining, Inc.
P.O. Box 3007
Montrose, CO 81402

Enclosure

CC: Ed Cotter
Uranium Leasing Program Lead
Navarro
Contractor to the U.S. Department of Energy
Office of Legacy Management
2597 Legacy Way, Grand Junction, CO 81503