




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: Ellison Mine	MINE/PROSPECTING ID#: M-1978-342	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: 14:45
OPERATOR: Gold Eagle Mining, Inc.	OPERATOR REPRESENTATIVE: None	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>N</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>Y</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SW) STORM WATER MGT PLAN---- <u>Y</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 Ellison Mine is listed as an active 110d operation that consists of 9.00 permitted acres. This site is part of the ongoing injunction with the Department of Energy (DOE) and was not active during this inspection. The Operator and DOE contractors were not present during this inspection as they were conducting approved storm water control device maintenance at the Hawkeye Mine. The Division currently holds \$100.00 in financial warranty for the site, with the remainder being held by the DOE. Four Photos accompany this report to illustrate the current site conditions.

Photo One shows the Quonset hut style structure located on site. The structure was secure and in good condition at the time of this inspection. Also located on site are two shipping containers, shown in Photo Two, used for storage that were also secured and in good condition. The main pad and work area that the structure, containers and portal are located on was in good condition and well vegetated with native grasses and shrubs. The portal, shown in Photo Three, is enforced with a Quonset style structure leading underground, and secured with a locked, welded steel grate. All components associated with the portal are in good condition.

Permit boundary markers were observed as seen in Photo Four, and all disturbance was inside the permitted area. The storm water controls were also observed and appeared to be functioning as designed. Evidence of storm water control device maintenance was observed. The maintenance work was approved and supervised by the DOE. No erosional issues were observed during this inspection. The slopes of the main pad and work area were all well vegetated and appear to be stable.

The overall footprint of the site was in good condition and was free from trash and debris. No noxious weeds were observed during this inspection. No problems or possible violations were found at this time.

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

PHOTOGRAPHS



Photo One: View northwest, showing the Quonset hut structure located on site. Also showing the vegetation on the main pad area.

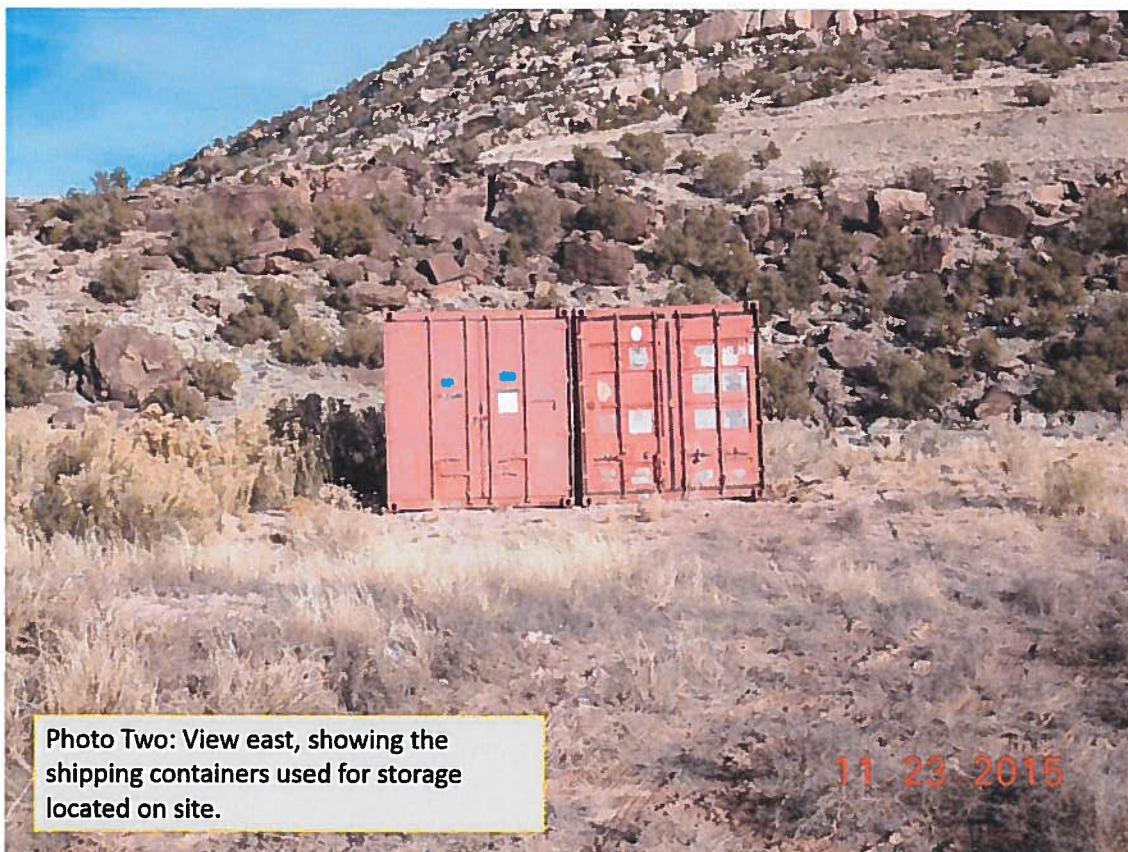
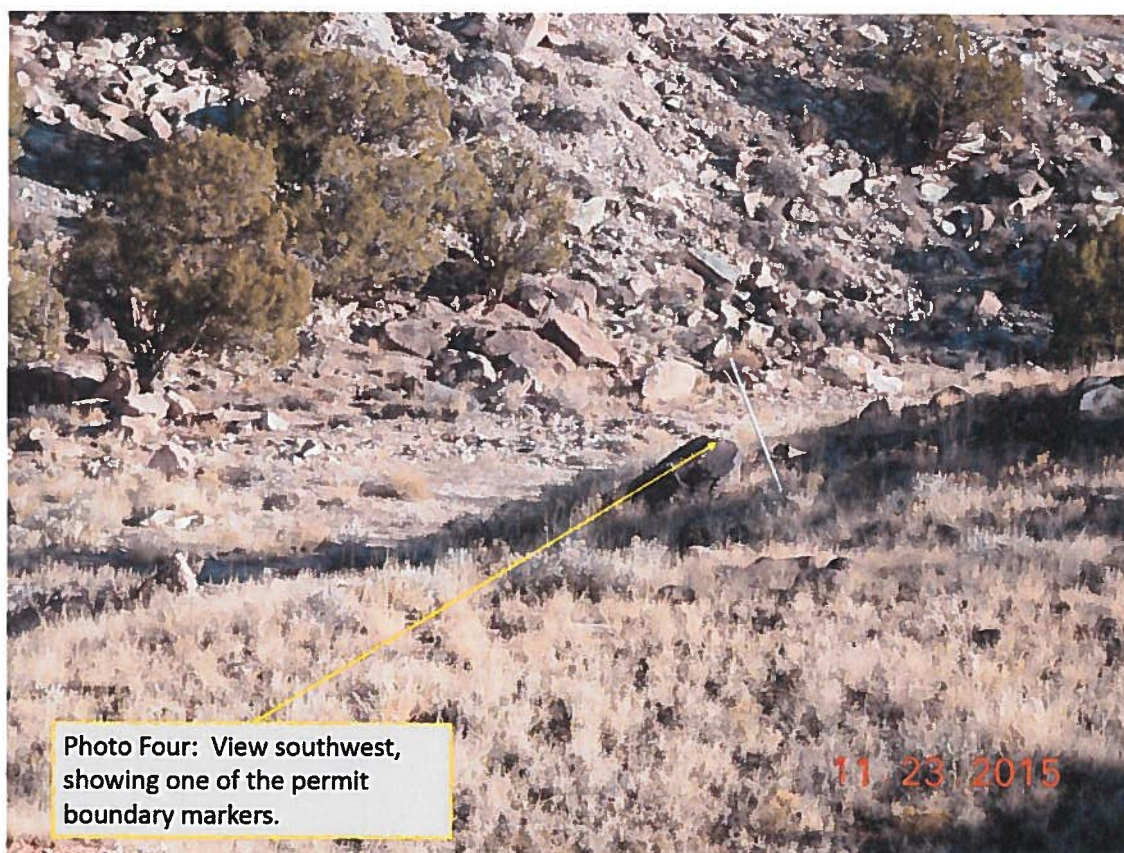


Photo Two: View east, showing the shipping containers used for storage located on site.



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