




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: Double Eagle	MINE/PROSPECTING ID#: M-2016-002	MINERAL: Feldspar and quartz	COUNTY: Teller
INSPECTION TYPE: Preoperation Inspection	INSPECTOR(S): Timothy A. Cazier	INSP. DATE: June 9, 2016	INSP. TIME: 10:20
OPERATOR: Donald J. Self	OPERATOR REPRESENTATIVE: Jeff Self	TYPE OF OPERATION: 110(1) - Hard Rock Limited Impact	

REASON FOR INSPECTION: Citizen Complaint	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: No Bond Held
DATE OF COMPLAINT: April 12, 2016	POST INSP. CONTACTS: U.S.Forest Service	JOINT INSP. AGENCY: U.S.Forest Service
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: June 12, 2016

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>Y</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</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>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>NA</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SW) STORM WATER MGT PLAN---- <u>N</u>	(CI) COMPLETE INSP---- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>NA</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 inspection was a pre-operation inspection conducted jointly with the US Forest Service (USFS). Ms. Amy Titterington and Mr. Anthony Davila were present representing the USFS. Mr. Elliott Russell and Tim Cazier represented the Division of Reclamation, Mining & Safety (Division). Messrs. Jeff Self and Ian Merkel, along with Ms. Donna Ware were present representing the Applicant. The Division received an objection to this permit application, requiring a pre-operational inspection.

The Double eagle site accessed from Teller Co Rd 51 (Cedar Mountain Rd) about 0.75 miles west of Teller Co Rd 3, where a shared USFS/private road leave 51 and extends approximately 1.25 miles south to the site. This is a proposed 110(1) feldspar and quartz mine.

Inspection:

Markers & Boundary – The required notice was posted (see **Photo 1**) on a tree at the claim entrance. The Division explained to the Applicant representatives that boundary markers would be required to identify edges of the permit for future inspections. The boundary markers will need to delineate extents of the area to be affected by mining activities (including: trenches, spoil piles and access roads requiring reclamation by the USFS. It was agreed on site by the USFS, Applicant and the Division that the Applicant would be responsible for road reclamation beginning at the “Y” (see **Photo 2**) at the top of the hill (approximately 39° 0'59.11"N, 105°17'10.69"W). The Division believes the length of road to be roughly 350 feet (based on the September 27, 2013 Google Earth satellite image) by 8 feet wide, but is seeking clarification as to whether additional road segments west of the proposed dig sites are to be included.

Mining Plan – Several shallow trenches and holes (and associated small spoil piles) were observed in the area (see **Photos 3** through **5**). None appeared to have been worked for quite some time. Mr. Self explained that the claim had previously belonged to a gem club. No recent disturbances were observed. The proposed mine plan anticipates three 100-foot long trenches. The Division is seeking further clarification through concurrent adequacy review comments. No structures were observed in the area.

Mr. Self explained he primarily plans to mine the ridge. We discussed marking the permit boundary with survey tape tied on trees in the area, rather than using survey stakes which tend not to last long in this area.

Reclamation – No reclamation had been initiated on site. Mr. Self asked if he were to reclaim some of the existing disturbance, would those areas need to be included in the proposed permit/affected area boundary. Both the Division and The USFS agreed that as long as no further digging was initiated in these disturbed areas, they would not be required to be included in the proposed three-acre permit boundary. Mr. Self indicated he would not remove any trees if it could at all be avoided. The USFS and the Division determined the road up the hill to the “Y” (see **Photos 6** and **7**) would not be included in the reclamation bond as it may be used for access to the adjacent Fifth Regimental claim (also inspected on June 9, 2016).

Environmental – The site is on a ridge. No standing water was observed in any existing excavations. No noxious weeds were observed. An objection was received citing impacts on Northern Goshawks. No nests were observed and Ms. Titterington indicated a USFS wildlife biologist had inspected the site within the last year and had seen no nests.

Records:

- Revisions: None, new permit application in review.
- Commitments/Stipulations: None.
- Other Records
 - a) The total permitted area is proposed to be 3 acres.
 - b) The post-mine land use is proposed to be recreation.

Bond:

The Division has not yet estimated a bond, pending responses to the preliminary adequacy review dated June 12, 2016.

Summary and Recommendations:

1. The USFS, Division and the Applicant are continuing to work out which segments and length of road will need to be reclaimed.
2. If the Application is approved and issued, the Operator will need to mark the proposed 3-acre permit area in the field. Survey tape on trees was suggested as an option.
3. The Division will estimate a financial warranty cost once all the adequacy issues are resolved. The USFS will be provided an opportunity to comment on the bond estimate.

Please contact Tim Cazier (303-866-3567, ext. 8169) if you have any questions regarding this report.

PHOTOGRAPHS



Photo 1. Posted notice at time of inspection.

PHOTOGRAPHS (cont.)



Photo 2. Access road from "Y" at top of hill (looking NW).

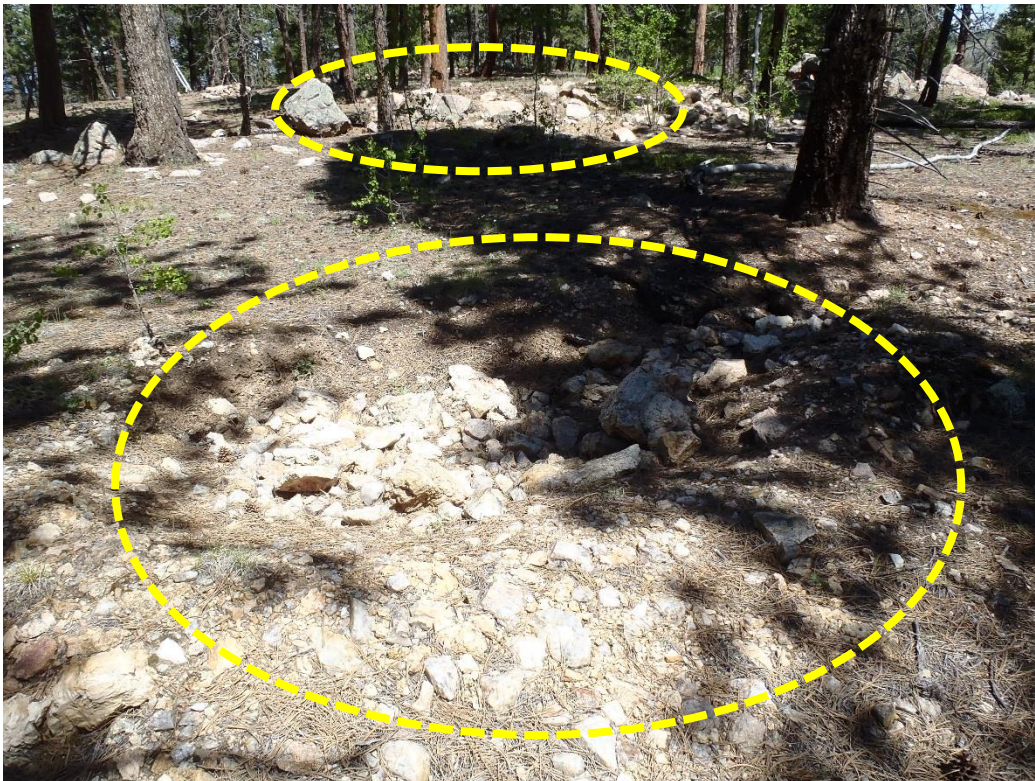


Photo 3. Shallow trenches and holes (1 of 3, ridge top, looking west).

PHOTOGRAPHS (cont.)

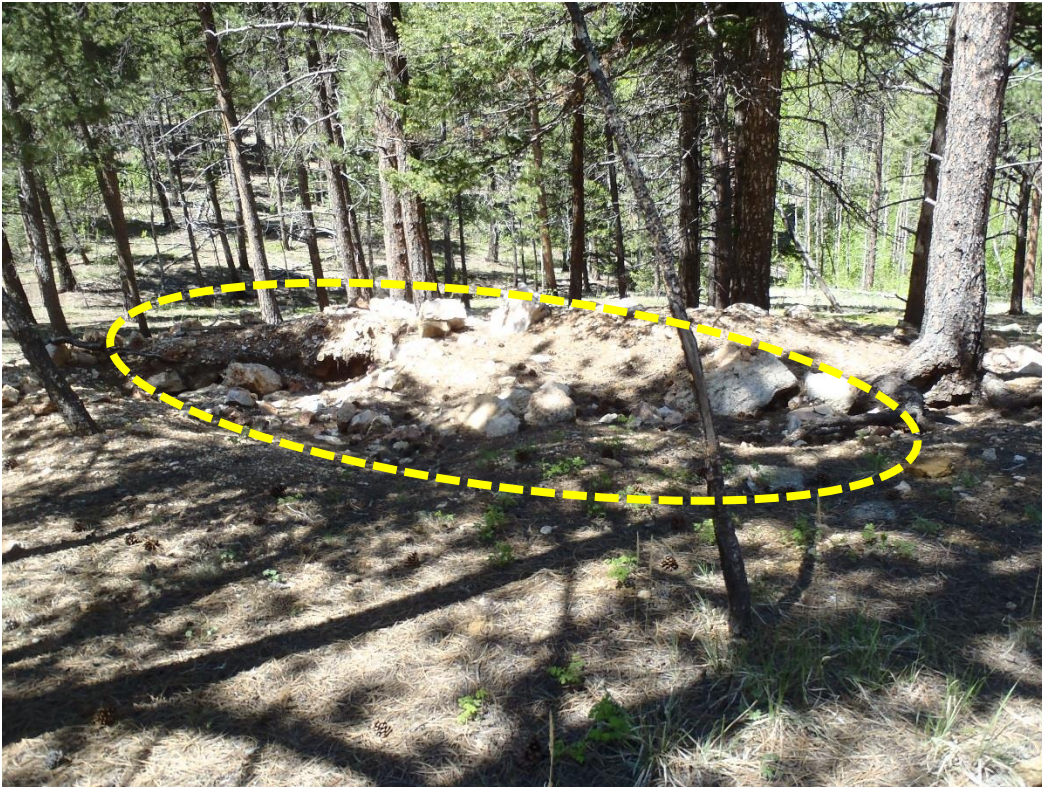


Photo 4. Shallow trenches and holes (2 of 3, ridge top, looking SW).



Photo 5. Shallow trenches and holes (3 of 3, ridge top, looking NW).

PHOTOGRAPHS (cont.)



Photo 6. Hill access road, not considered for reclamation (looking east from "Y" at top).

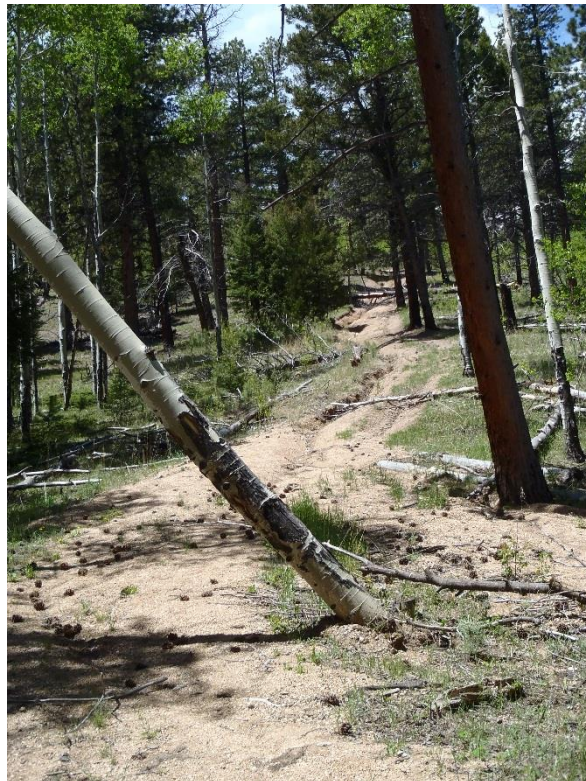


Photo 7. Hill access road, not considered for reclamation (looking west from bottom).

Inspection Contact Address

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CC: Wally Erickson, DRMS
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DRMS file
Amy Titterington, USFS
Ian Merkel