




**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.

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|--|--|--|-----------------------------|
| <b>MINE NAME:</b><br>Toltec No 2                     | <b>MINE/PROSPECTING ID#:</b><br>M-1984-039   | <b>MINERAL:</b><br>Silver, gold, copper,                       | <b>COUNTY:</b><br>San Juan  |
| <b>INSPECTION TYPE:</b><br>Surety-Related Inspection | <b>INSPECTOR(S):</b><br>Lucas J. West  | <b>INSP. DATE:</b><br>August 24, 2016                          | <b>INSP. TIME:</b><br>11:40 |
| <b>OPERATOR:</b><br>Wilbur F Benham                  | <b>OPERATOR REPRESENTATIVE:</b><br>None  | <b>TYPE OF OPERATION:</b><br>110(2) - Hard Rock Limited Impact |                             |
| <b>REASON FOR INSPECTION:</b><br>Surety Related      | <b>BOND CALCULATION TYPE:</b><br>Complete Bond   | <b>BOND AMOUNT:</b><br>\$4,116.00                              |                             |
| <b>DATE OF COMPLAINT:</b><br>NA                      | <b>POST INSP. CONTACTS:</b><br>None  | <b>JOINT INSP. AGENCY:</b><br>None                             |                             |
| <b>WEATHER:</b><br>Clear                             | <b>INSPECTOR'S SIGNATURE:</b><br> | <b>SIGNATURE DATE:</b><br>September 7, 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>N</u>        |
| (HB) HYDROLOGIC BALANCE----- <u>N</u>      | (BG) BACKFILL & GRADING----- <u>Y</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>N</u>       | (RV) REVEGETATION---- <u>N</u>  |
| (SM) SIGNS AND MARKERS----- <u>N</u>       | (SP) STORM WATER MGT PLAN---- <u>N</u>   | (CI) COMPLETE INSP---- <u>Y</u> |
| (ES) OVERBURDEN/DEV. WASTE----- <u>N</u>   | (SC) EROSION/SEDIMENTATION--- <u>N</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>Y</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 in response to the operator's request for a surety reduction, SR-01. The Toltec No. 2 is listed as an active 110(2) operation that is currently under a cease and desist order from the Mined Land Reclamation Board. The site is located approximately seven miles east of Silverton, CO at around 11,800 feet in Elevation. The site consists of eight permitted acres located on County Road 9. Access to the site is not controlled by any means. The Division currently holds \$4,116.00 in Financial Warranty for the site. Five Photos accompany this report to illustrate current site conditions.

The site was not active during the inspection and no equipment was observed on site. No proper mine identification sign was posted, however a "No Trespassing" sign was observed. All previous corrective actions have been complied with and Cease and Desist Order that was issued as part of MV-2016-008 has been lifted.

Reclamation activities have taken place on site. The waste rock pile located on site has been blended into the rock face to match the surrounding topography. The backfilling and blending appears to be stable and in good condition. Photos One and Two show the rock face before, and after the completion of this task. The main work area adjacent to the rock face has been graded to ensure positive drainage. Topsoil has been replaced throughout the site, at an average depth of 6 inches. The grading of the topsoil appears to be stable and no erosional issues were noted on site. Photo Three shows the main work area with the topsoil replaced. All earthwork and grading has been completed according to the approved reclamation plan that was recently modified through TR-02. Photos Four and Five show other views of the reclamation work that has been completed. Revegetation is the only remaining task to achieve final reclamation of the site.

Due to the adequate reclamation work that has been completed on site, and compliance with the approved reclamation plan the Division has approved the Operator's request for a financial warranty reduction. The reclamation cost estimate has been updated with the remaining tasks to be completed. Enclosed with this report is the financial warranty reduction request approval letter, SR-01, as well as the updated reclamation cost update. The new required surety for the site is \$1,012.00.

All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety, at 1313 Sherman Street, Room 215, Denver, CO 80203, by phone at (970)-243-6368 or by email at [lucas.west@state.co.us](mailto:lucas.west@state.co.us).



## PHOTOGRAPHS











**Inspection Contact Address**

None  
Wilbur F Benham  
16417 KQNK Rd  
Norton, KS 67654

Enclosure: SR01 Approval letter and Updated Reclamation Cost Estimate

CC: Russ Means, Senior Environmental Protection Specialist