




**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.

<b>MINE NAME:</b> May Day Idaho Mine Complex	<b>MINE/PROSPECTING ID#:</b> M-1981-185	<b>MINERAL:</b> Gold and silver	<b>COUNTY:</b> La Plata
<b>INSPECTION TYPE:</b> Multi Person Inspection	<b>INSPECTOR(S):</b> Lucas J. West, Russ Means	<b>INSP. DATE:</b> July 18, 2017	<b>INSP. TIME:</b> 11:45
<b>OPERATOR:</b> Sunrise Mining LLC	<b>OPERATOR REPRESENTATIVE:</b> Sarah Glinatsis	<b>TYPE OF OPERATION:</b> 112d-1 - Designated Mining Operation	
<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> None	<b>BOND AMOUNT:</b> \$204,562.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None	
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> July 27, 2017	

**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>N</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>Y</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>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 as part of the normal monitoring program for Designated Mining Operations established by the Colorado Division of Reclamation, Mining and Safety. It also serves as the pre-operational inspection for the currently filed Amendment to the permit, AM-2. The Mayday Idaho Mine Complex is listed as an active 112d-1 permit consisting of 274.7 permitted acres. The site is currently undergoing a major amendment that will result in the conversion to a 112d-2 permit, with 274 permitted acres and 56 acres of affected lands. The site lies approximately fifteen miles northwest of Durango at 8,700 feet in elevation. Public access is controlled by a locked gate. The Division currently holds \$204,562.00 in financial warranty for the site. Along with the inspectors and Operator Representative listed on page one of this report, Jack Nielson landowner, George Robinson of R<sup>2</sup> Inc. the consultant to the Operator and Ray Furgeson were present during the inspection. A reclamation cost estimate was not performed at this time but will be part of the Amendment process. Fourteen Photos accompany this report to illustrate the current site conditions.

### **Chief Portal Area**

The restoration activities at the Chief Portal Area were completed and inspected in the fall of 2016. The Chief Portal is designed to function as a secondary escape way and underground access point. As seen in Photo One, the culvert in Little Deadwood Gulch has been installed with a grated closure on the inlet to prevent plugging and it appears to be functioning as designed. The outfall of the culvert has been armored with rip rap to prevent down cutting shown in Photo Two. All backfilled areas appear to be stable and in good condition, no evidence of settling, slumping or subsidence was observed. The matting extends from the access road down to the bottom of the gulch as well as up the other side. Photos Three and Four show examples of the matting with vegetation beginning to grow. The secondary escape / emergency access has been further buttressed with the restoration of Little Deadwood Gulch. The portal was not secured with a grated closure, however this was brought to the Operator's attention and within 24 hours photo documentation of a temporary closure was received. Photo Five shows the secondary escape way prior to the installation of the temporary closure. A secondary drain has been installed to allow any water generated from the portal to be conveyed into Little Deadwood Gulch. The slope above the secondary access which had been backfilled as of the previous inspection by Division staff appears to be in good condition. The areas that were identified to be revegetated or secured with the vegetative matting have been addressed. No evidence of erosion, slumping or subsidence was noted. The area at the top of the slope, adjacent to the road was identified to need a safety barrier which has been installed.

### **May Day 3 Area**

The May Day 3 Area is currently outside the boundaries of the affected lands. It is however proposed to be included in AM-2. Further clarifications on the extent of the activities to take place at the May Day 3 area are required and will be addressed through the adequacy review process. Photos Six, Seven and Eight show the area which is the location of historic mining activity. Within the area is a collapsed portal, miners shack and flat pad area. The area is currently sparsely vegetated but appears to be stable and in good condition.

### **May Day 2 Area**

The restoration activities at the May Day 2 area were also completed and inspected in the Fall of 2016. The

three culverts, with grated closures at their inlets to prevent clogging, as well as concrete abutments to prevent degradation of the surrounding material has appear to be functioning as designed and are in good condition as seen in Photo Nine. The outfall of the culverts has been armored to prevent down cutting of the channel immediately downstream of the culverts. Within the channel immediately upstream of the culverts, two water bars have been installed to help dissipate the energy as the stream flow approaches the crossing. Heavy flows have caused the channel to route around one of the water bars, causing some minor erosion of the far bank as seen in Photo Ten. It is recommended that the Operator install some bouldering and other armoring to the banks of the stream to prevent further migration of the channel. The portal at the May Day 2 Area remains partially collapsed. A small waste rock pile was located adjacent to the closure, and was present during the previous inspection. The pile appears to be stable and in good condition.

### **May Day 1 Area**

The portal remains closed with a locked gate, and the surrounding slopes buttressed with the placement of large boulders. The area above the portal has been stabilized with wire mesh and rock bolts. The old mill building was not inspected at this time. A variety of equipment was observed throughout the May Day 1 area including an underground loader, several shipping containers and various other mining related debris. The surface conditions of the area are largely unchanged from the October 2016 Inspection. Photos Eleven, Twelve and Thirteen show the conditions of the May Day 1 Area.

### **Idaho Area**

The Idaho affected area consists of a main pad area, a small office building, shop structure and storage area. The Idaho spring also exists within the limits of the Idaho affected area. The extent of the proposed activity is minimal at the area, however they may be expanded in the future. Any future plans will need to be addressed through the Technical Revision Process. The structures located at the Idaho area appear to be stable and in good condition. The Idaho spring was observed, as seen in Photo Fourteen, was flowing at approximately 40 Gallons Per Minute. Further clarification on the activities to take place at the Idaho area are required, and will be addressed in the adequacy review process.

The overall footprint of the site was in good condition and free from excessive trash and debris. No significant erosion, settling or slumping was observed throughout the site. All access roads were in good condition and appear to be stable. No noxious weeds were noted during the inspection. 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











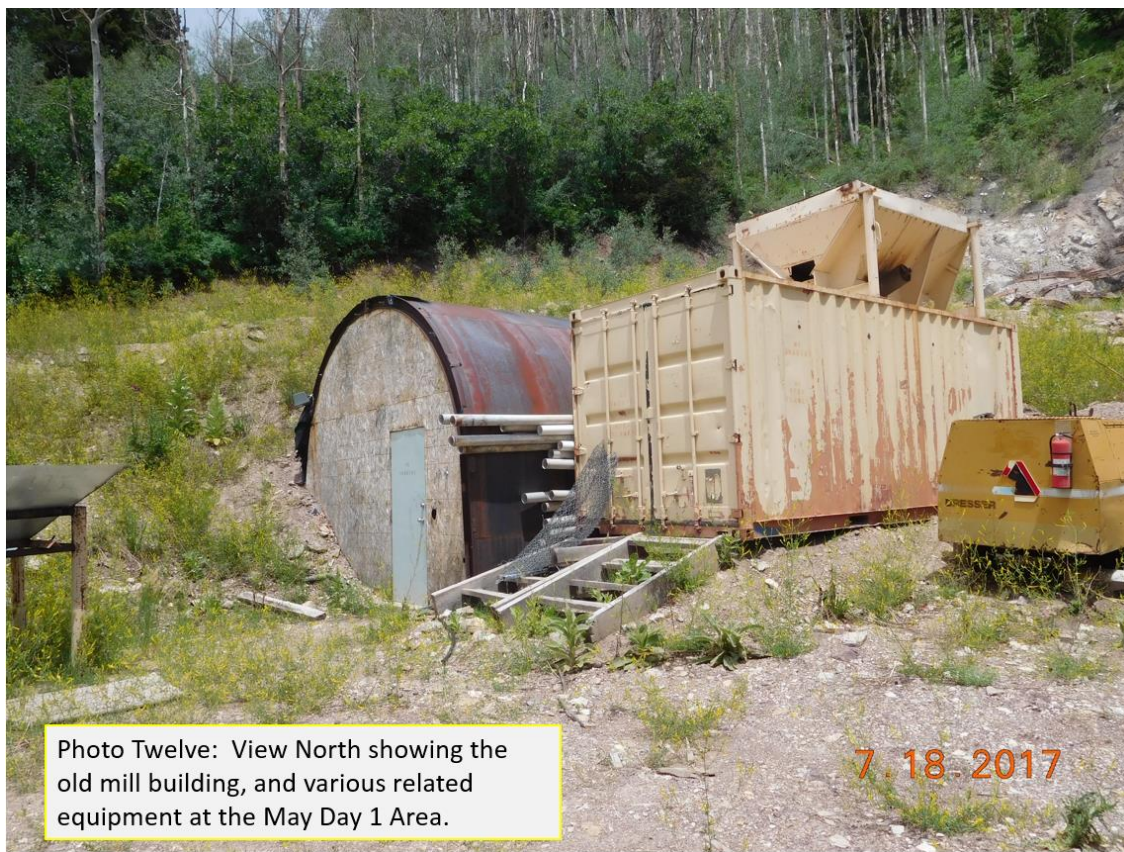


















**Inspection Contact Address**

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Enclosure

Cc: Russ Means, Senior Environmental Protection Specialist  
Jeff Fugate, DRMS Minerals AGO

Ec: George Robinson, R<sup>2</sup> Incorporated.