

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:		MINE/PROSPECTING ID#:	MINERAL:	COUNTY:		
Golden Rose Complex		M-2017-023	UNK	La Plata		
INSPECTION TYPE:		INSPECTOR(S):	INSP. DATE:	INSP. TIME:		
Illegal(Unpermitted Operation)		Lucas J. West, Russ Means	July 19, 2017	09:00		
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:			
UNK		None	ILL - Illegal			
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:			
Citizen Complaint		None	No Bond Held			
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:			
NA		None	None			
WEATHER:	INSPECTOR'S SIGNATURE:		SIGNATURE DATE:			
Clear	again.		August 4, 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>N</u>	(FN) FINANCIAL WARRANTY N	(RD) ROADS <u>N</u>
(HB) HYDROLOGIC BALANCE <u>N</u>	(BG) BACKFILL & GRADING <u>N</u>	(EX) EXPLOSIVES N
(PW) PROCESSING WASTE/TAILING N	(SF) PROCESSING FACILITIES \underline{N}	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- N	(FW) FISH & WILDLIFE \underline{N}	(RV) REVEGETATION N
(SM) SIGNS AND MARKERS <u>N</u>	(SP) STORM WATER MGT PLAN N	(CI) COMPLETE INSP N
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION N	(RS) RECL PLAN/COMP N
(AT) ACID OR TOXIC MATERIALS N	(OD) OFF-SITE DAMAGE <u>N</u>	(ST) STIPULATIONS <u>N</u>

 $Y = Inspected \ and \ found \ in \ compliance \ / \ N = Not \ inspected \ / \ NA = Not \ applicable \ to \ this \ operation \ / \ PB = Problem \ cited \ / \ PV = Possible \ violation \ cited \ A = Not \ applicable \ to \ this \ operation \ / \ PB = Problem \ cited \ / \ PV = Possible \ violation \ viola$

OBSERVATIONS

This inspection was conducted by the Colorado Division of Reclamation, Mining and Safety (Division) in response to an anonymous complaint received on June 2, 2017. The complaint identified the presence of a possible unpermitted mining operation located on Lewis Creek Road in La Plata County. The complaint outlined concerns regarding major improvement work performed on Lewis Creek Road in an effort to gain access to the Western Belle, Golden Rose and Jennie Lind mines. Also minor exploratory work at one of the historic mine portals was included in the complaint. Three Photos are included with this report to illustrate the findings of this inspection.

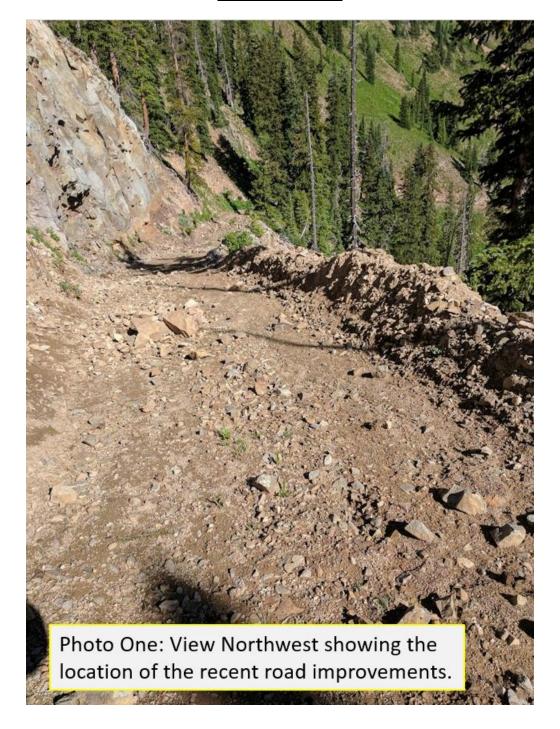
A file was created for this site for the purposes of record keeping, as the site is not currently a permitted operation. The site was named the Golden Rose Complex and given file no M-2017-023. The inspectors listed on page one of this report proceeded up Lewis Creek Road to the point of a locked, heavy duty locked gate on the Forest Service Road. Minor road improvements leading up to the gate were noted, however are not considered a problem at this time. Beyond the locked gate the inspectors proceeded on foot to Eagle Pass. Major road improvements were observed on the North side of Eagle Pass, as can be seen in Photos One and Two. Evidence of widening, and grading were noted, as well as the construction of a berm along the outside edge of the road. No significant erosional features were observed in this area. The road continues on for approximately an additional mile and a half where and leads to the Western Bell Mine. As seen in Photo Three, various debris, and evidence of minor improvements to the pad near the portal of the Western Bell were observed.

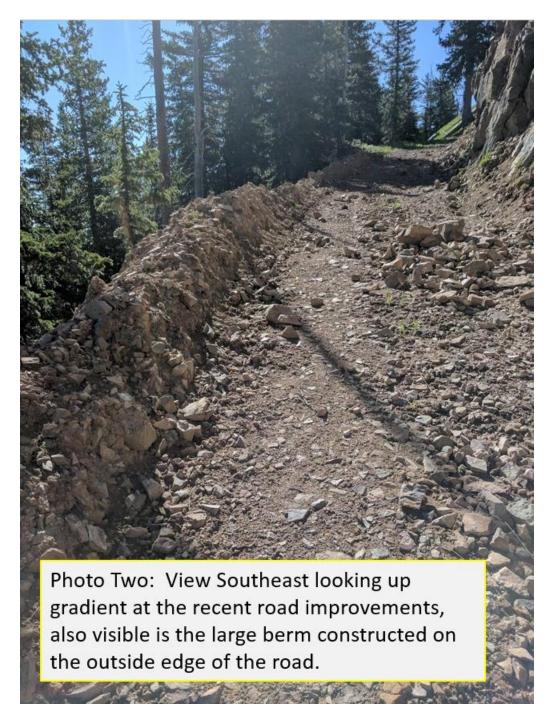
According to records kept by the La Plata County Assessor's Office, the locked gate lies on a patented mining claim owned by Colleen Barker and Emily Rogers, while the observed road improvements lie on lands administered by the US Forest Service (USFS). It is unclear if the portal of the Western Bell lies on a patented claim also owned by the above mentioned landowner, or on USFS Lands and will need to be determined during the further evaluation of the site.

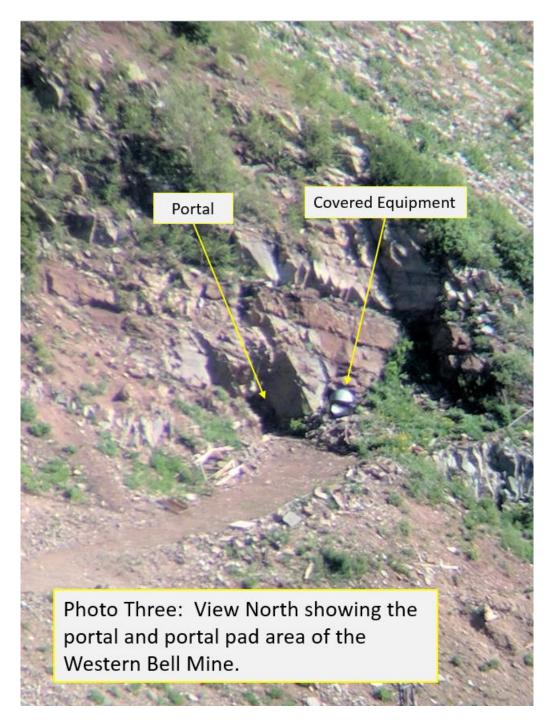
Based on the information included in the anonymous complaint, as well as the evidence observed during this inspection the Division believes these activities have not yet passed the threshold for requiring a permit from this office. The evidence does indicate however that this work was completed with the intention to begin mining in the future, which will require either a 110(1) Permit or a Notice of Intent to Conduct Prospecting Operations (NOI) at that time. The Division asks that the Landowner or a representative thereof complete and return the enclosed "Is it Mining Questionnaire" to assist in the further evaluation of the completed and proposed work at the site.

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.

PHOTOGRAPHS







Inspection Contact Address

Colleen Barker, Emily Rogers 18051 FM 1660 Taylor, TX 78574

Enclosure: Is it Mining Questionnaire

CC: Russ Means, Senior Environmental Protection Specialist