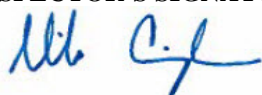




MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

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: Purple Hill	MINE/PROSPECTING ID#: P-2012-004	MINERAL: GEM, QTZ	COUNTY: Jefferson
INSPECTION TYPE: Surety Release Inspection	INSPECTOR(S): Michael A. Cunningham	INSP. DATE: August 10, 2017	INSP. TIME: 12:30
OPERATOR: Thomas G. Milller	OPERATOR REPRESENTATIVE: None	TYPE OF OPERATION: MP - Mineral Prospecting	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$100.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: U.S.Forest Service	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: August 29, 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----- <u>N</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</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>N</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>Y</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>Y</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(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

OBSERVATIONS

The inspection was conducted by Michael Cunningham of the Division of Reclamation, Mining and Safety (Division). Anthony Davila with the U.S. Forest Service was also present for the inspection. The Operator did not attend the inspection. The Purple Hill prospect site is located approximately 10 miles southwest of Deckers, Colorado in the Pike-San Isabel National Forest.

On July 13, 2017, the Division received a request for a full release of the Purple Hill NOI. Prospecting at the Purple Hill site occurred in 2013 and reclamation was completed in the same year. The disturbance consisted of a single trench approximately 50' x 100'. The Operator backfilled the trench and replaced topsoil across the disturbed area. In addition, the Prospector placed fallen and burned timber across the site to minimize erosion. The area was heavily impacted by the Hayman fire of 2002. The Division conducted an inspection of the site in 2016 and found that the site was beginning to revegetate, but was not yet ready for release. The following species were observed at the site during the 2016 and 2017 inspections: smooth brome, miner's candle, harebell, fringe sage, mountain mahogany, and parry geranium.

The Operator reseeded the site in 2016 and the establishment of vegetation was aided by ample precipitation over the past two growing seasons. The Division found the vegetation was equal in extent to that of the surrounding area and was capable of self-regeneration without further aid from the Operator.

Based on the observations made during the inspection, the Division has determined that the Operator has successfully completed reclamation at the site. Notice of the Division's decision regarding the release request will be sent under separate cover.

This concluded the inspection.

PHOTOGRAPHS



1. Overview of reclaimed area.



2. Overview of reclaimed area.



3. Overview of reclaimed area.

Inspection Contact Address

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CC: Wally Erickson, DRMS
Anthony Davila, USFS