Locatable Minerals Site Inspection
U.S. Department of the Interior
Bureau of Land Management
Royal Gorge Field Office

Date: 11/29/2016 Time: 11:50 a.m. - 12:50 p.m. Weather: Cloudy Inspection Purpose: General	Project Name: First Bentonite Case Number: COC 051303 Operator: Pam Wedige Location: Coaldale, CO
Attendees BLM: William Jenkins Operator(s): Not onsite Other(s): N/A	Project Status: Active (reclamation phase) Project Type: Plan of Operations Occupancy: None
General Compliance Compliance with the filed Plan of Operations, and 43 CFR 3809 (in particular the performance standards outlined in 3809.420).	In general, the operation is in compliance with the Plan on file with BLM. x **Yes** ☐ **No** ☐ **N/A** In general, the operation and disturbances on site coincide with the method of prospecting, mining, and access described in the Plan of Operations. x **Yes** ☐ **No** ☐ **N/A**

SITE MANAGEMENT

Site Conditions ☐ Housekeeping ☐ Access (clear, bermed, signed, accurate with Plan?) ☐ Acreage (disturbance per plan? site secured per plan?)	Good Housekeeping. The access road has been ripped ~ ½ the distance back to Kerr Gulch Road. All of the site except for the lower material staging area and remaining road has been ripped, graded, and seeded.
Claim Markers ☐ Claim Signs ☐ Corners ☐ Discovery Post	☐ **N/A** The DRMS sign was posted at the entrance to the site. No claim corners or discovery posts were looked for during the inspection.

<u>Erosion Control</u> ☐ Grading ☐ Vegetation ☐ Drainage Control ☐ Best Management Practices (berms, armored drainage)	☐ **N/A** The operator has begun their final reclamation, cut a swale across the upper staging area, and cut through the existing sediment control dams to restore overland flow to the pre-existing, natural drainage basin. Another inspection scheduled for the Spring of 2017 will follow up on the completed reclamation work.
<u>Materials Management</u> -Topsoil -Overburden -Waste Rock -Tailings -Ore Piles -Fines ☐ Location ☐ Best Management Practices ☐Containment/Lining (as applicable) ☐ Stability (angle of repose, size of material)	☐ **N/A** There are several remaining stockpiles of topsoil and product material that have not currently been used in reclamation. BLM informed the operator that the remaining topsoil stockpile should be used in the reclamation of the lower staging area, where product piles are currently staged.
<u>Container/Tank Management</u> ☐ Substance ☐ Storage Container/Tank (overall condition, tank capacity, secondary containment) ☐ Spill Contingency (fixed in a timely manner? Or controlled to prevent hazardous conditions?) ☐ Substance appropriately labeled? (NFPA, SDS accessible) ☐ Best Management Practices	x **N/A**
<u>Weed Management</u> ☐ Weed Control Plan ☐ Control Methods ☐ Type & Percent Surface Cover ☐ Best Management Practices	☐ **N/A** Minor amounts of Mullein weed were observed in the drainage basin below the swale.
<u>Highwall/Working Face Conditions</u> ☐ Working x Reclaimed -Ravelling or rock fall present -Tension cracks -Benches (are they clean?) -Adequate ingress/egress -Measurements (concurrent with ops - height, depth, slope)	☐ **N/A** The operator has backfilled and recontoured the existing highwall to a lesser grade. At the time of the inspection, much of the fill material was still loose because the earthwork was recent. The Spring 2017 inspection will check that the fill material has become more consolidated over time, and will examine the slope to see if it has settled to a lesser grade.
<u>General Safety Conditions</u>	☐ **N/A**

☐ Temporary Fencing ☐ Flagging ☐ Signage (mine site, direction of travel, etc.)	BLM has recommended that the operator add a sign informing the public that they should stay off the site because the area is under ongoing reclamation.

PLAN OF OPERATIONS

<u>Operations</u> ☐ Location ☐ Does their Plan include an occupancy? (location of temporary/permanent structures) ☐ Any observed impacts outside of Plan?	The operator is no longer pulling material from the highwall, and has initiated their final reclamation. Their plan does not include an occupancy, and there were no observed impacts on site outside of what was described in the plan of operations.
<u>Operating Practices</u> ☐ Mining Methods (Surface or Underground) ☐ Equipment (types, concurrent with Plan, good working condition) ☐ Surface Disturbances (size, and removed quantity) ☐ Processed Material Management (location, berms, HPDE lining)	The operator is currently using an excavator and a grader to reclaim the site. The equipment observed was in good, operable condition.
<u>Quality Assurance/Monitoring</u> ☐ Reporting Procedures ☐ Systematic Monitoring (frequency, sampling procedures, adverse results response, monitoring programs - air, water, revegetation, stability, noise, etc.)	☐ **N/A** The operator has been visually monitoring the site and its revegetation throughout reclamation.
<u>Drilling</u> ☐ Method (Air, Fluid) ☐ Drill Pads (location) ☐ Mud Pits (location, containment) ☐ Drill Hole Plugging and Re-Contour	x **N/A**
<u>Underground Operations</u> ☐ Groundwater (Is there water coming from the adit?) ☐ General Safety (roof stability, ventilation, cribbing condition, monitoring practices, etc.) ☐ Dimensions (Have the adits, shafts, trenches been advanced?)	x **N/A**
<u>Water Management</u> ☐ Mitigation Measures (dewatering/pumps, sediment containment, chemical treatment systems, storm water runoff controls) ☐ Ditch/Impoundment Capacity (will they contain the volume generated by a 100 year 24 -hour rain event?)	x **N/A** The operator has begun efforts to restore the site's drainage to the adjacent natural drainage channel by recontouring the site's topography, and cutting a swale. Additionally, the operator used an excavator to cut

☐ Impoundment Structures (Water, tailings ponds, etc.) - adequate freeboard - dimensions, stability - leaking at base?	through the existing impoundment structures.
<u>Ore Processing</u> ☐ Non-Chemical Processing (crushing, screening, washing) - methods, equipment condition, water source ☐ Chemical Processing (leaching, milling) - methods, chemicals involved (Xanthates, Cyanide, etc.), spill contingency	☐ **N/A** The operator does not process the bentonite clay they produce (it is used in its existing condition).

Actions to be taken by the Operator Operators should read this report carefully because it may require corrective action and/or response to the BLM in order to avoid consideration of possible enforcement action.	The lower staging area and remaining road need to be ripped and seeded for final reclamation. Once the remaining product material has been removed from the site, the remaining stockpiled topsoil should be used to reclaim the lower staging area.
General Comments Other observations and notes from the inspection	- The operator has reclaimed the majority of the site, leaving only the lower staging area and a portion of the access road to be reclaimed. - The operator has cut a swale across the site which appears to be sufficient to prevent the impoundment of overland flow. - The reclaimed highwall is currently greater than a 3:1 slope; however, much of the fill material used to reclaim the highwall is loose. So, BLM will inspect the highwall again in the Spring of 2017 to see if the material's settling helps to soften the highwall slope.
Date Inspection Shared with CDRMS:	**Date Inspection Shared with Operator:**

Photo Summary

Photo 1: Panorama showing the swale, and grader.

Photo 2: Photo of the swale, facing the pit.

Photo 3: One of the remaining topsoil stockpiles on site.

Photo 4: Panorama taken from the top of the reclaimed highwall.

Photo 5: Showing the loose material used to backfill the highwall.

Photo 6: Showing the remaining product piles on the lower staging area.