

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:	
C-JD-8		M-1984-014	Uranium and vanadit Montrose		
INSPECTION TYPE:		INSPECTOR(S):	INSP. DATE:	INSP. TIME:	
Monitoring		Dustin M. Czapla	September 12, 2017 16:30		
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:		
Cotter Corporation		Gus Gaviotis	112d-1 - Designated Mining Operation		
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:		
Normal I&E Program		IT.Bondcalculationtype.CD.Desc	\$69,950.00		
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:		
NA		None	None		
WEATHER:	INSPECTOR'S SIGNATURE:		SIGNATURE DATE:		
Clear	R		September 14, 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>Y</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- Y	(FW) FISH & WILDLIFE \underline{N}	(RV) REVEGETATION N
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN N	(CI) COMPLETE INSP \underline{Y}
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION \underline{Y}	(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 \ cited \ A = \ Not \ applicable \ to \ this \ operation \ / \ PB = Problem \ cited \ / \ PV = Possible \ violation \ cited \ A = \ Not \ applicable \ to \ this \ operation \ / \ PB = Problem \ cited \ / \ PV = Possible \ violation \ cited \ A = \ Not \ applicable \ to \ this \ operation \ / \ PB = Problem \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \ cited \ / \ PV = Possible \ violation \$

PERMIT #: M-1984-014 INSPECTOR'S INITIALS: DMC INSPECTION DATE: September 12, 2017

OBSERVATIONS

This inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Russ Means and Lucas West (DRMS); Ed Cotter, Kyle Turley, Bill Dam, Jim Denier, and Polly Robinson (DOE); Gus Gaviotis and Scott Pottorfs (Cotter Corportation) were present. Photographs are included with this report in order to illustrate some of the conditions observed.

The C-JD-8 site is located approximately twelve miles west of Naturita and accessed from EE16 road. The site is a 112d-1 operation that includes a total of 20.1 permitted acres. The Division currently holds a financial warranty amount of \$69,950.00 for this site.

Adequate mine identification signage was noted at the entrance to the site.

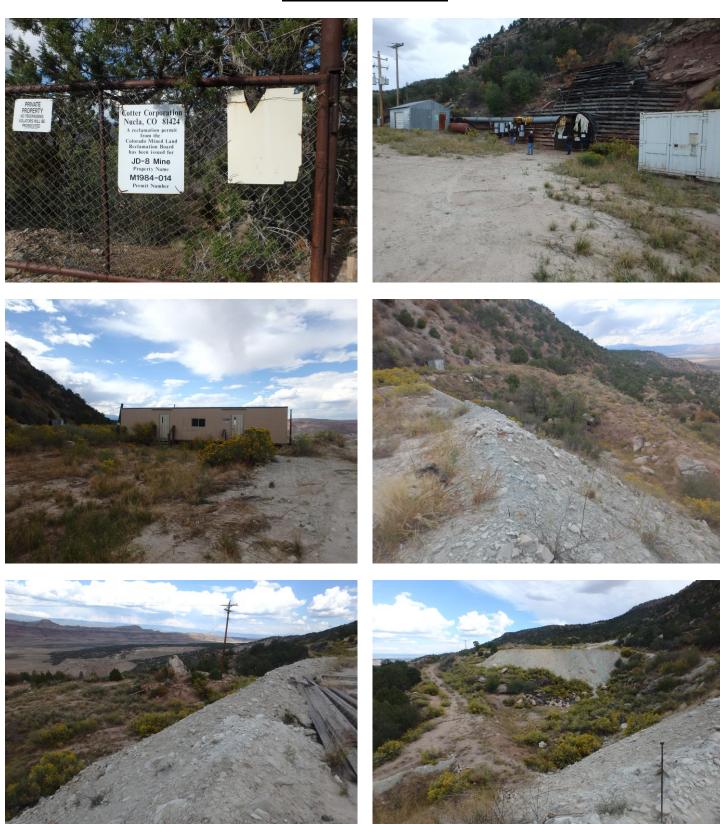
There has been no recent activity at this site except for housekeeping and minimal site maintenance.

An office building, compressor shed and ventilation system are located on the main mine bench. Unused mining equipment and empty fuel tank have been removed from the site. Stormwater control structures appeared maintained and functional.

No problems or violations were noted during this inspection.

Responses to this inspection report should be directed to Dustin Czapla at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 South 3rd Street, Room 301, Grand Junction, Colorado 81501, phone number (970) 243-6299.

PHOTOGRAPHS



Inspection Contact Address

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Gus Gaviotis Cotter Corporation 7800 E. Dorado Place, Suite 210 Englewood, CO 80111-0700