



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: Kay Claims	MINE/PROSPECTING ID#: P-2008-045	MINERAL: Gold	COUNTY: Lake
INSPECTION TYPE: Monitoring	INSPECTOR(S): Dustin M. Czapla	INSP. DATE: August 29, 2017	INSP. TIME: 12:00
OPERATOR: Mt. Elbert Mining Co., LLC	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION: MP - Mineral Prospecting	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$12,100.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: August 31, 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>N</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>N</u>
(SM) SIGNS AND MARKERS----- <u>N</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(CI) COMPLETE INSP---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</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

This inspection was conducted by the Division of Reclamation, Mining and Safety. This is an NOI operation that was approved for drilling 67 exploration holes on private, USFS and BLM lands. Forty-six holes were drilled and backfilled in 2008. This inspection was conducted in order to verify reclamation of the drill hole locations located on the USFS and BLM lands. The six holes drilled on the private land were not inspected. At each of the drill locations there was little to no discernible evidence of any drilling disturbance. Holes were drilled on or near existing roads by a track mounted rig. There were no open holes located during this inspection. It is the opinion of this inspector that reclamation of the forty drill holes located on USFS and BLM lands is complete and adequate. Photographs of each of the drill locations are included with this report.

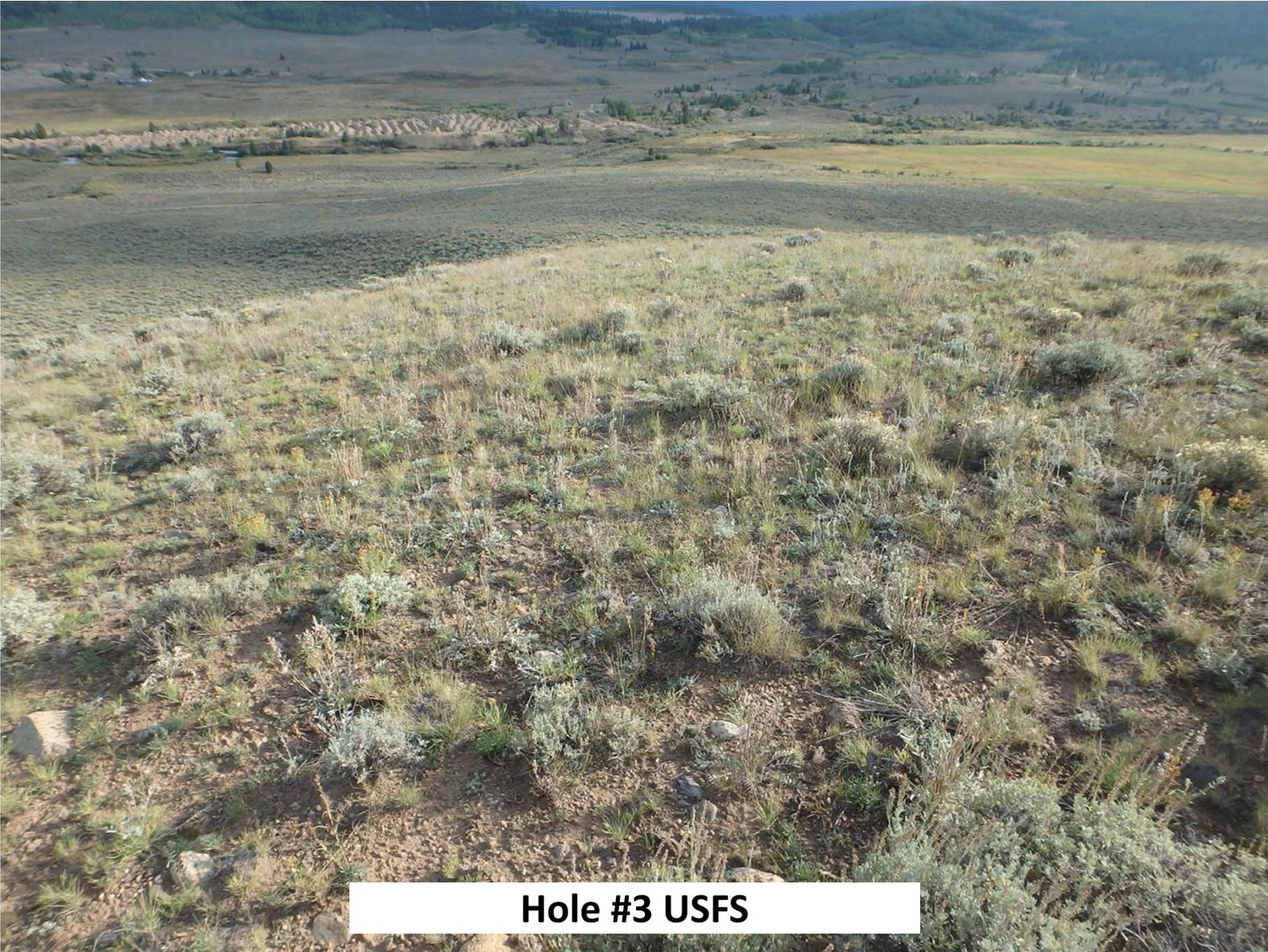
No problems or violations were noted during this inspection.

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.

Inspection Contact Address

Rebecca Hicks
32460 Invernes Dr.
Evergreen, CO 80439

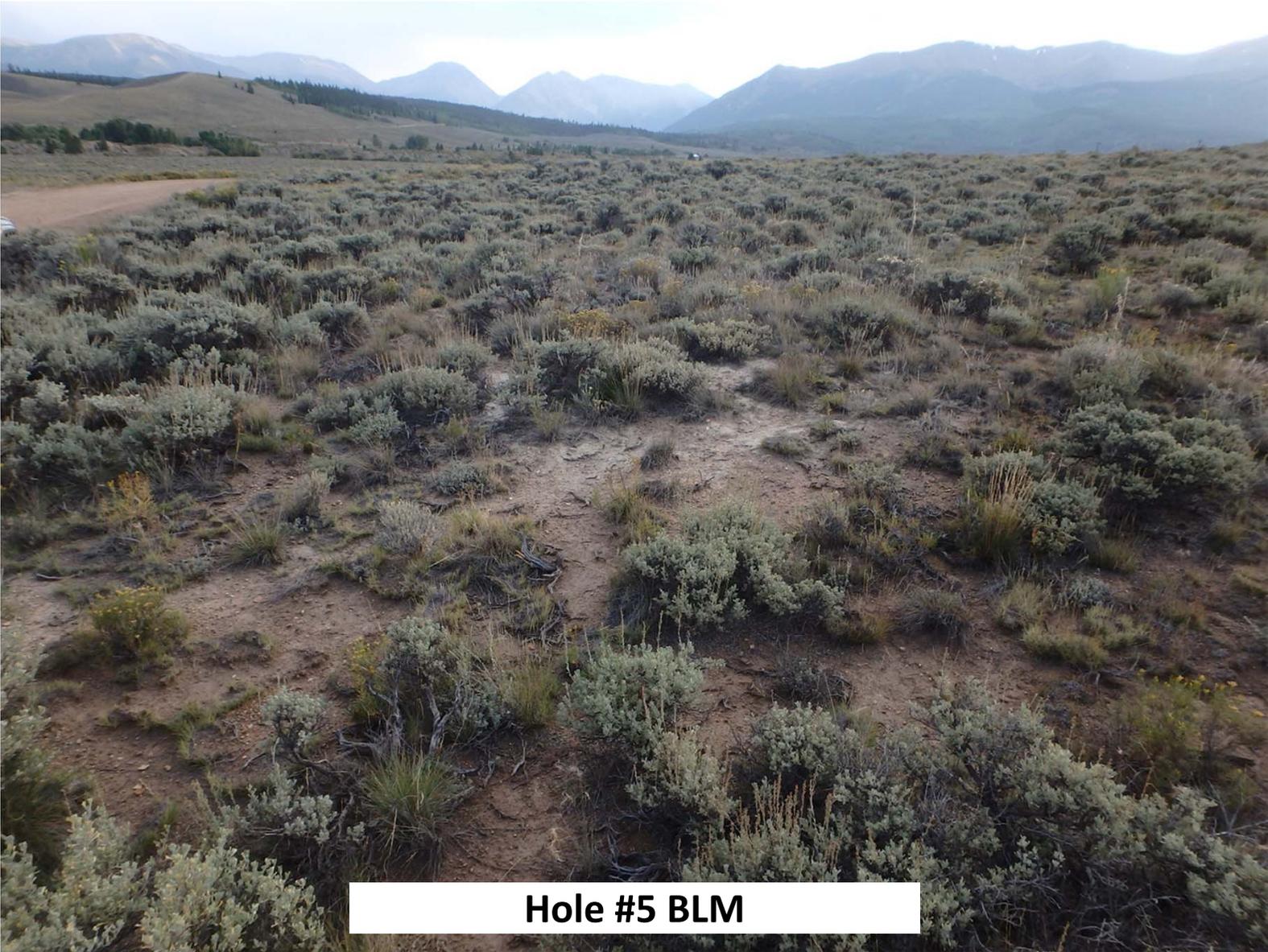
Cc: Angela Belantoni, Environmental Alternatives, Inc.
Amy Titterington, USFS
Stephanie Carter, BLM



Hole #3 USFS



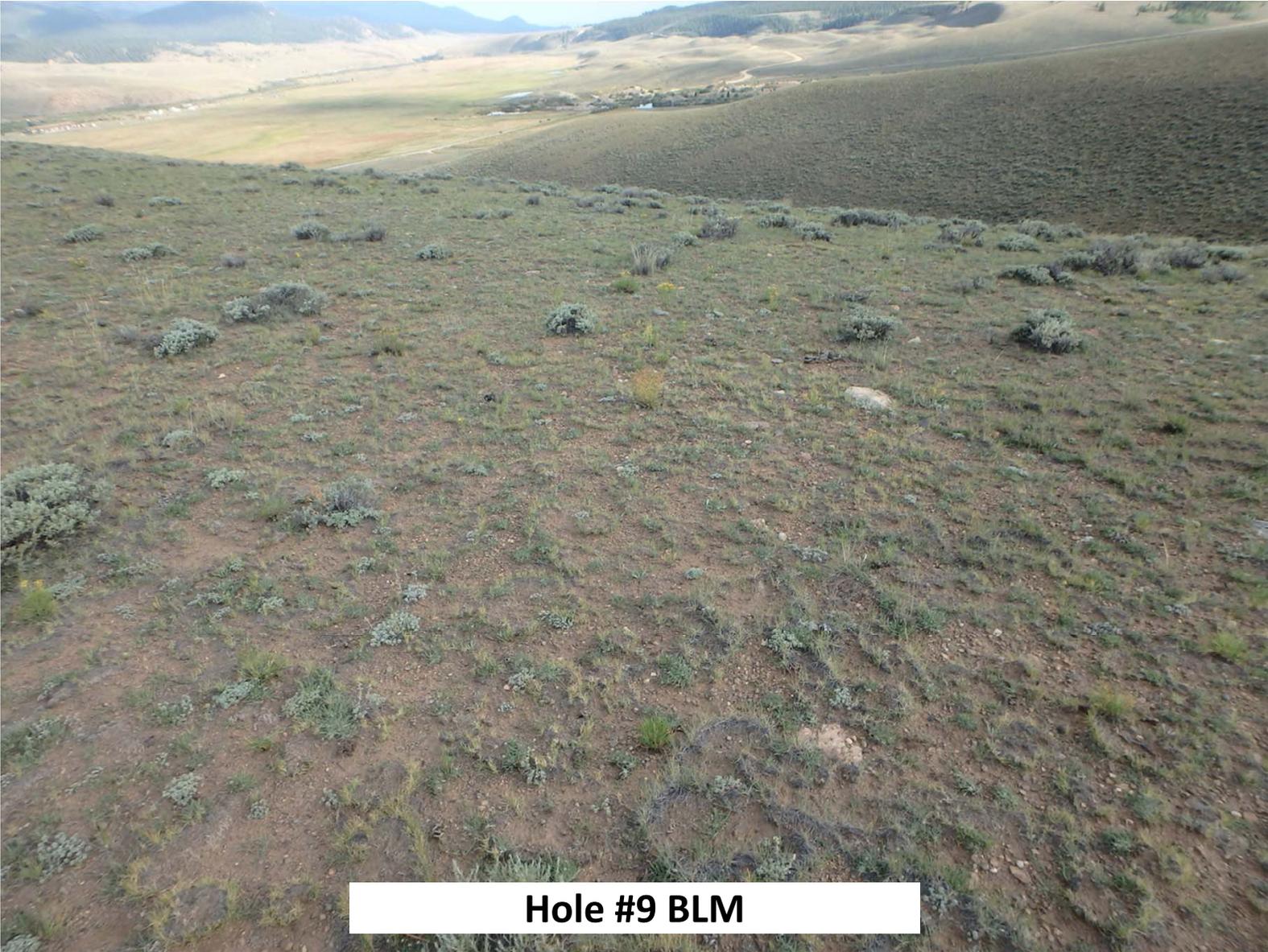
Hole #4 USFS



Hole #5 BLM



Hole #7 BLM



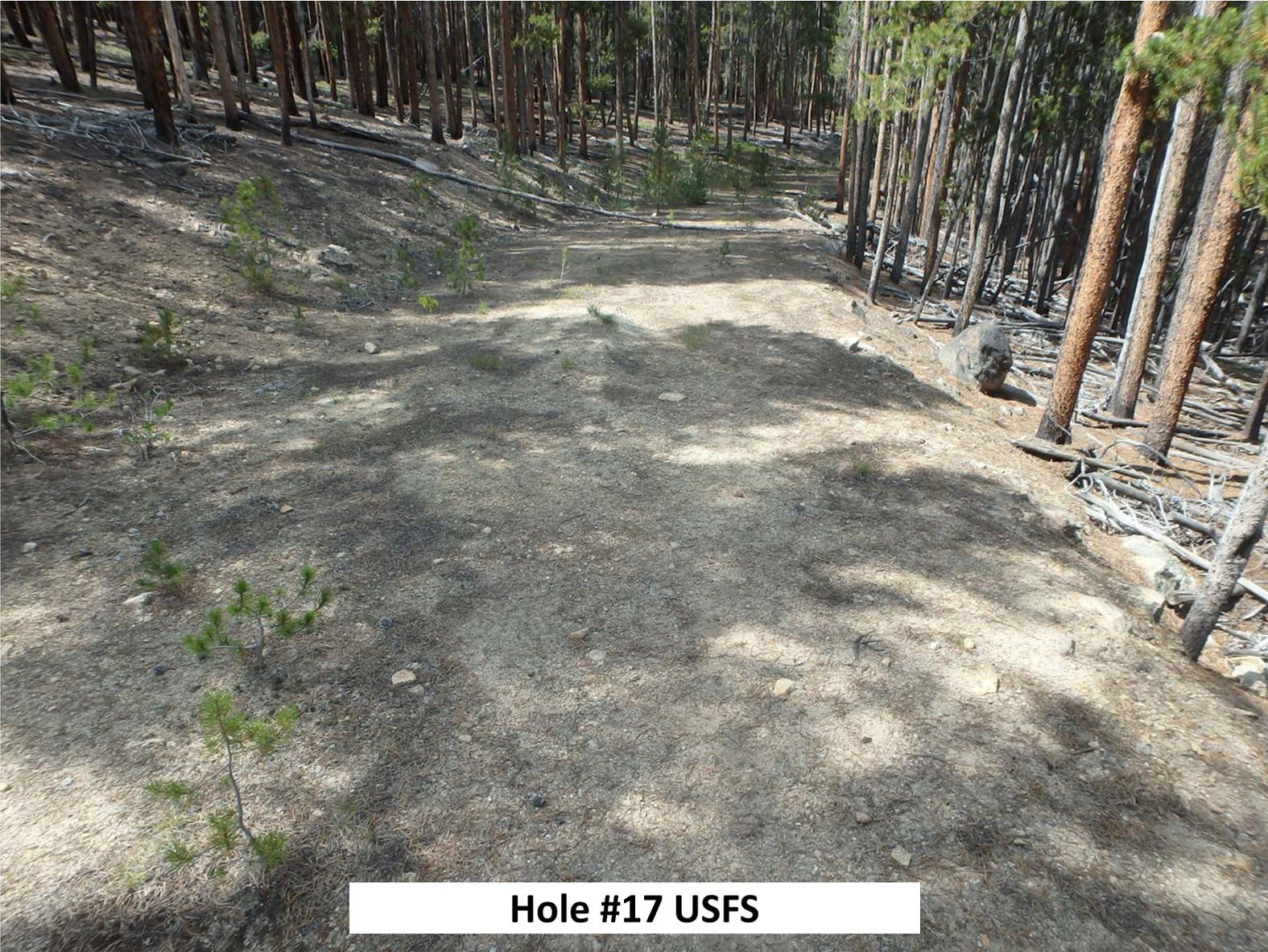
Hole #9 BLM



Hole #12 BLM



Hole #14 BLM



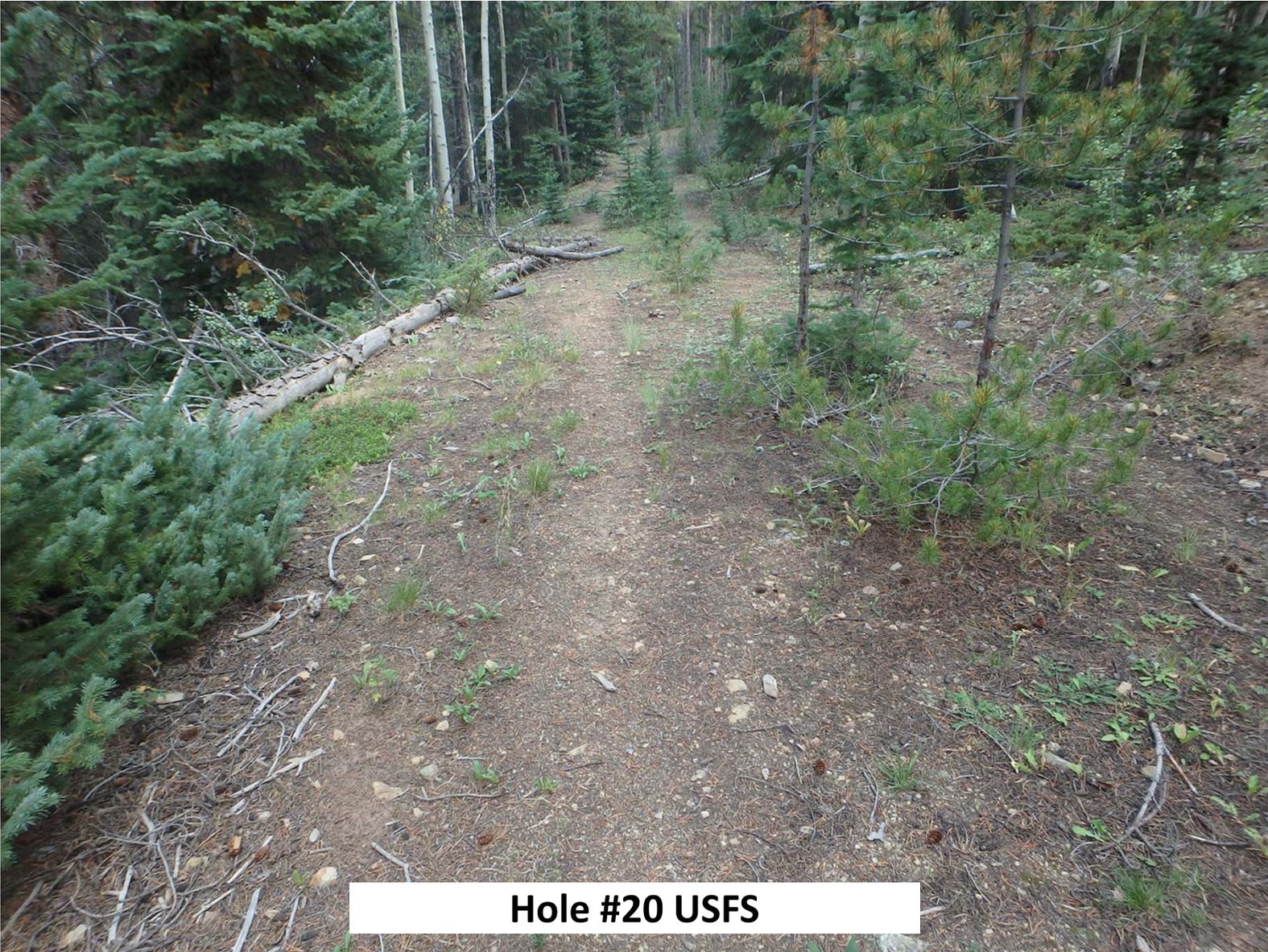
Hole #17 USFS



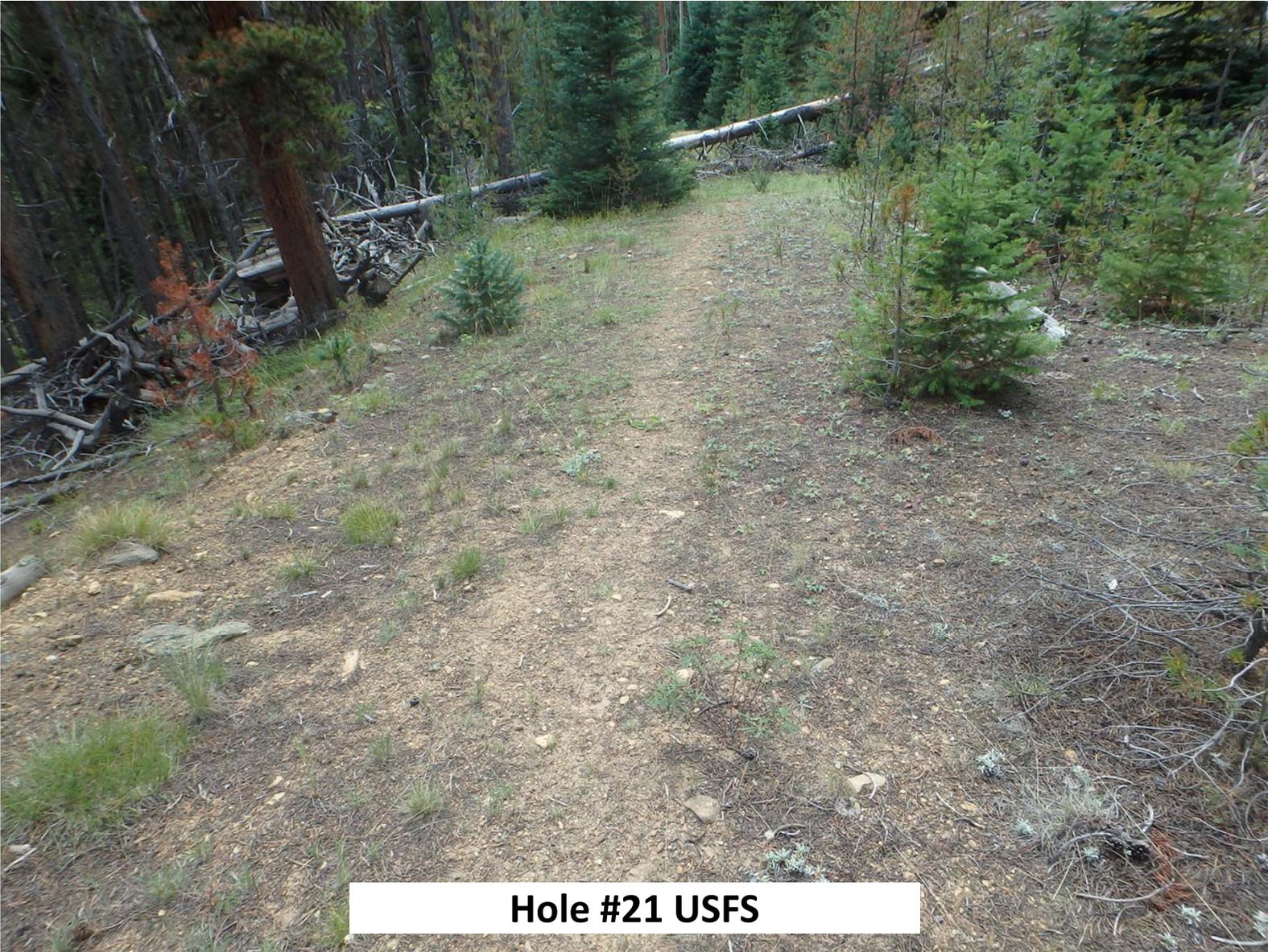
Hole #18 USFS



Hole #19 USFS



Hole #20 USFS



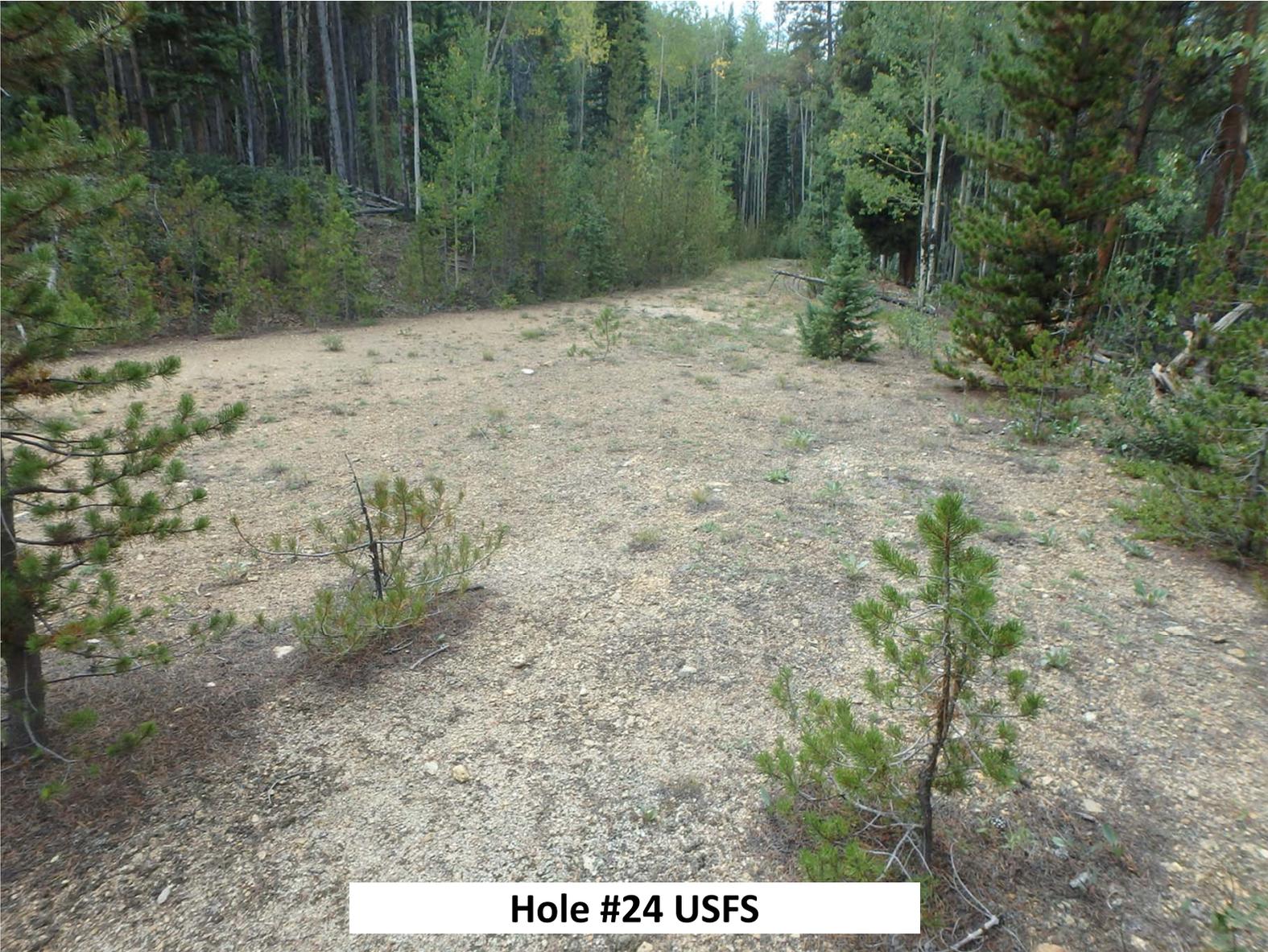
Hole #21 USFS



Hole #22 USFS



Hole #23 USFS



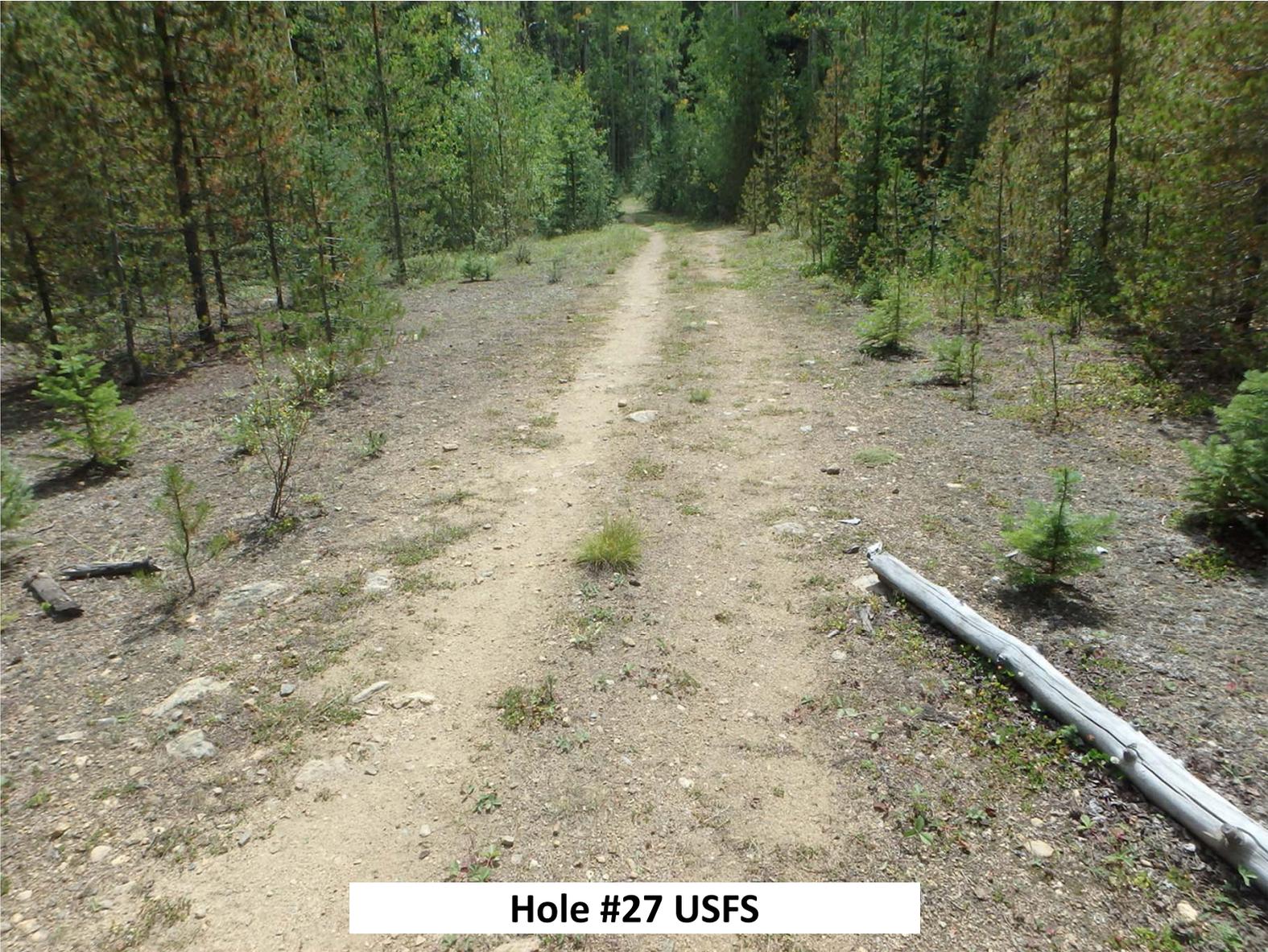
Hole #24 USFS



Hole #25 USFS



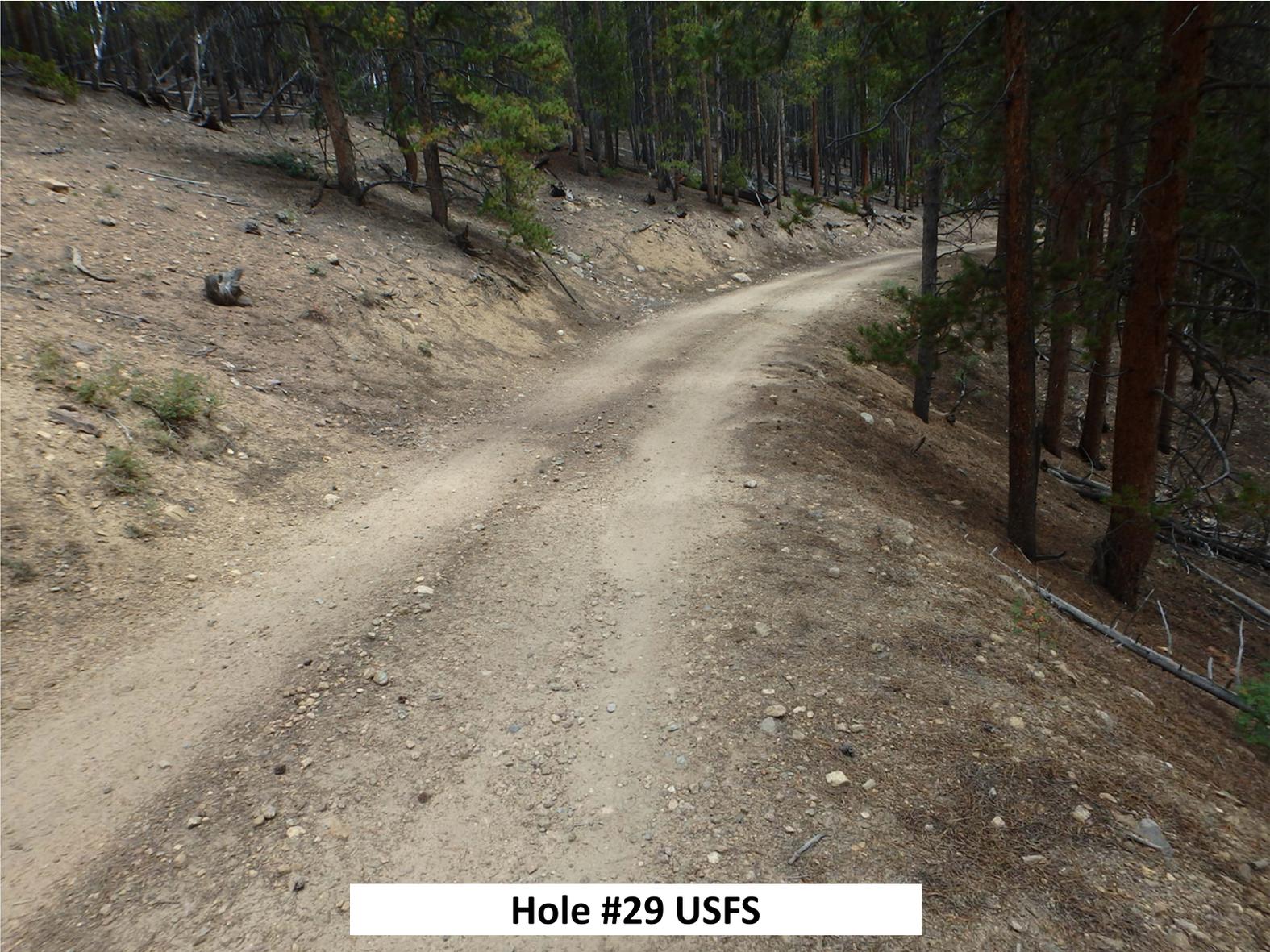
Hole #26 USFS



Hole #27 USFS



Hole #28 USFS



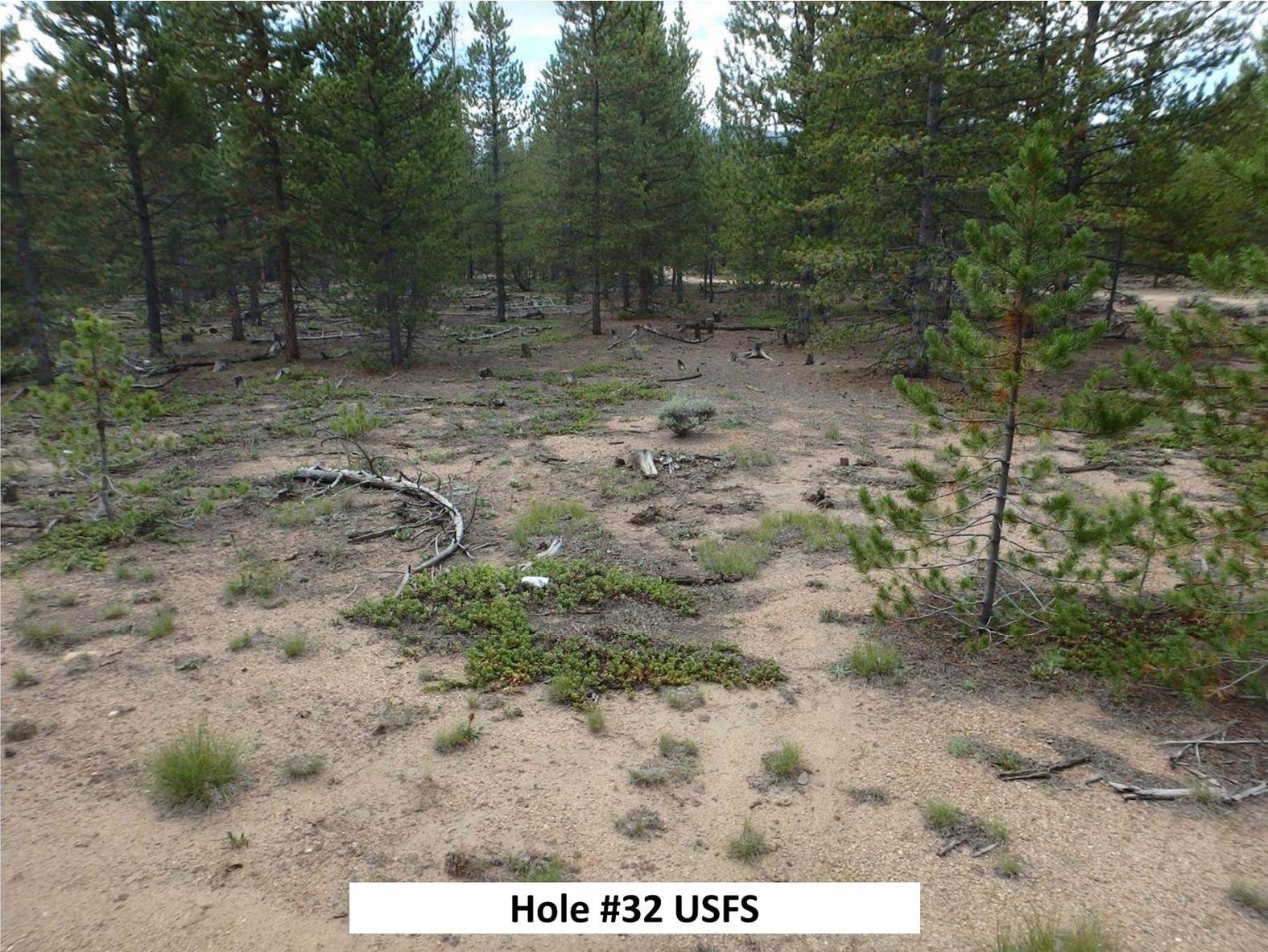
Hole #29 USFS



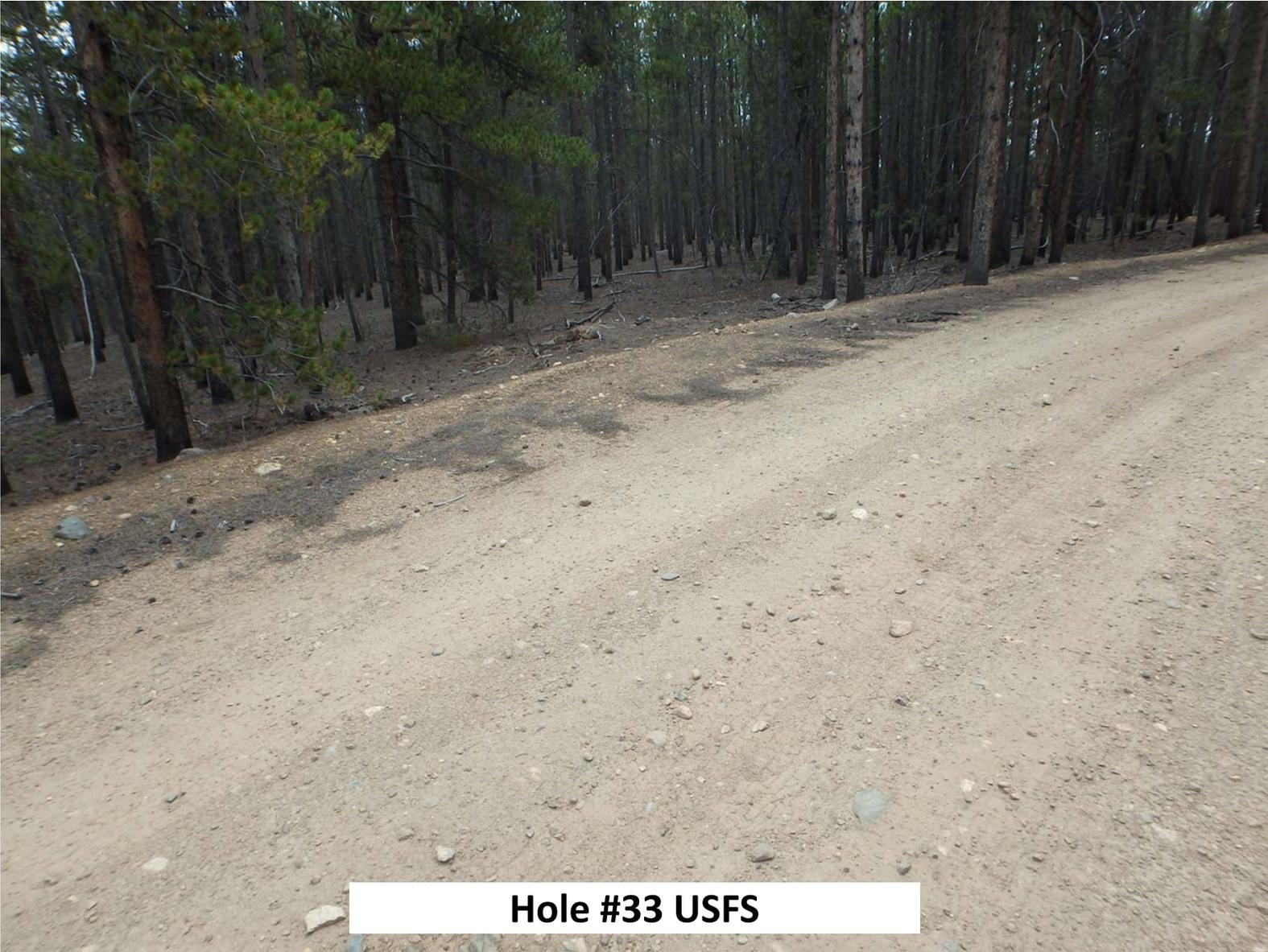
Hole #30 USFS



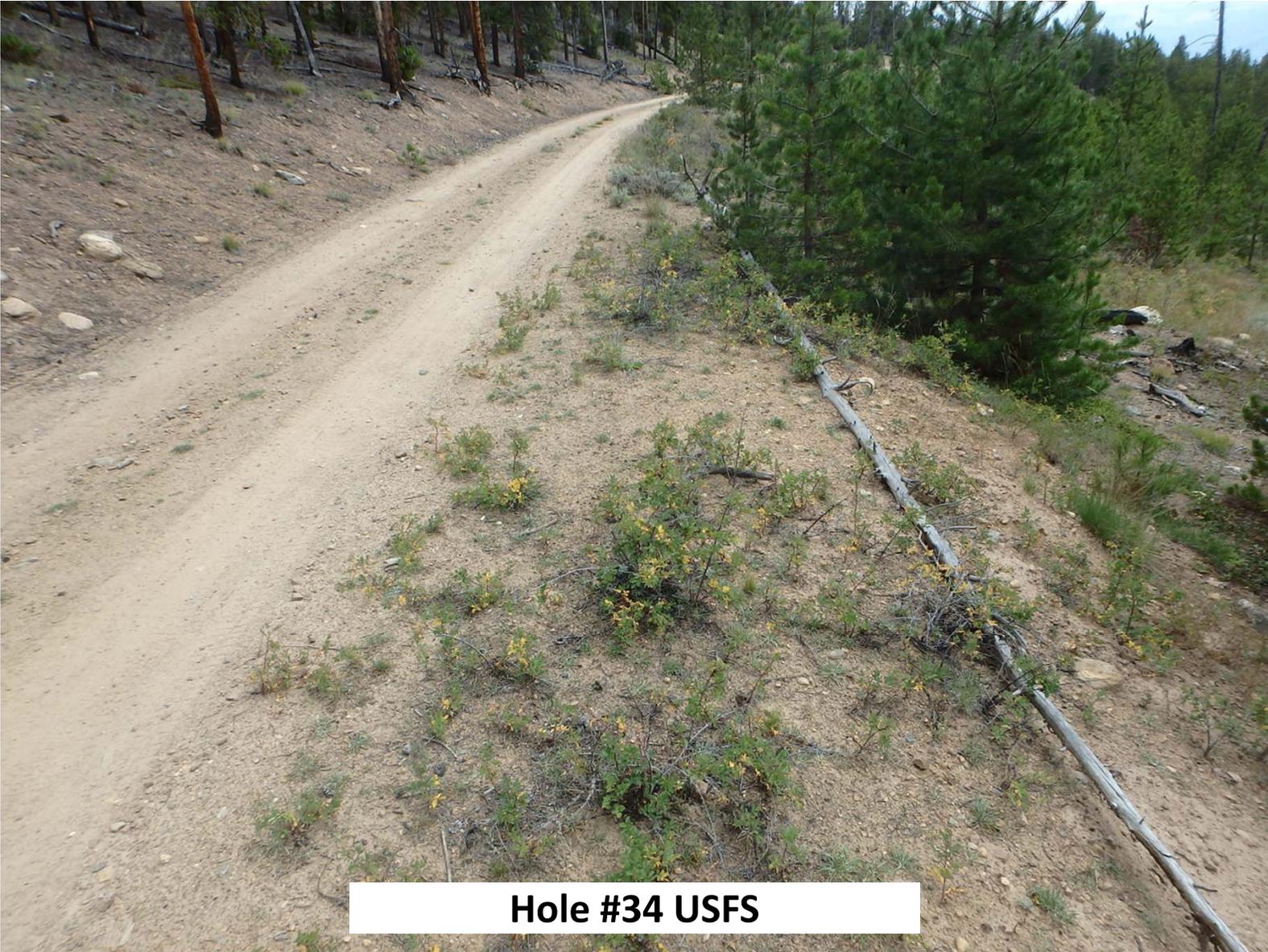
Hole #31 USFS



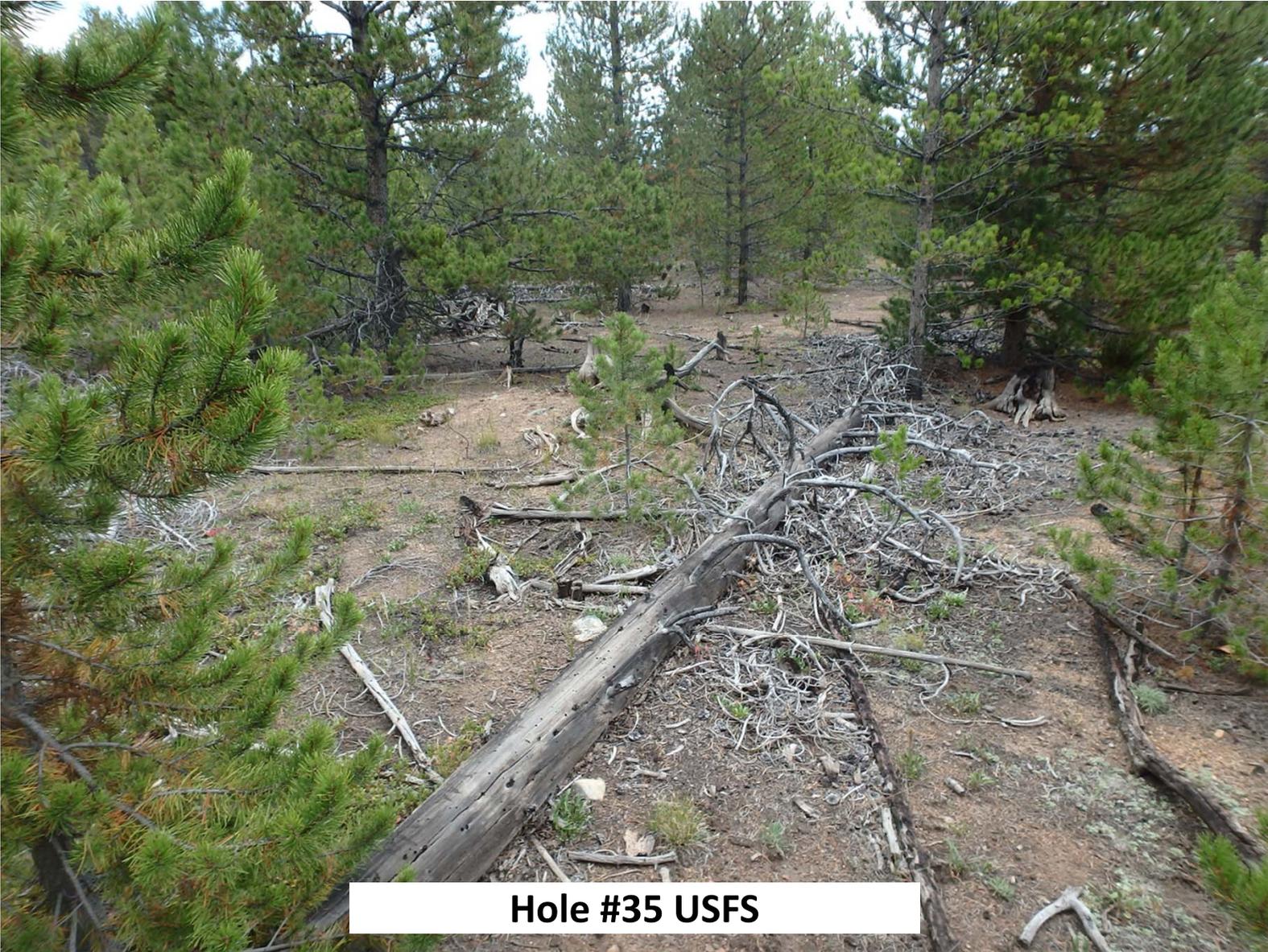
Hole #32 USFS



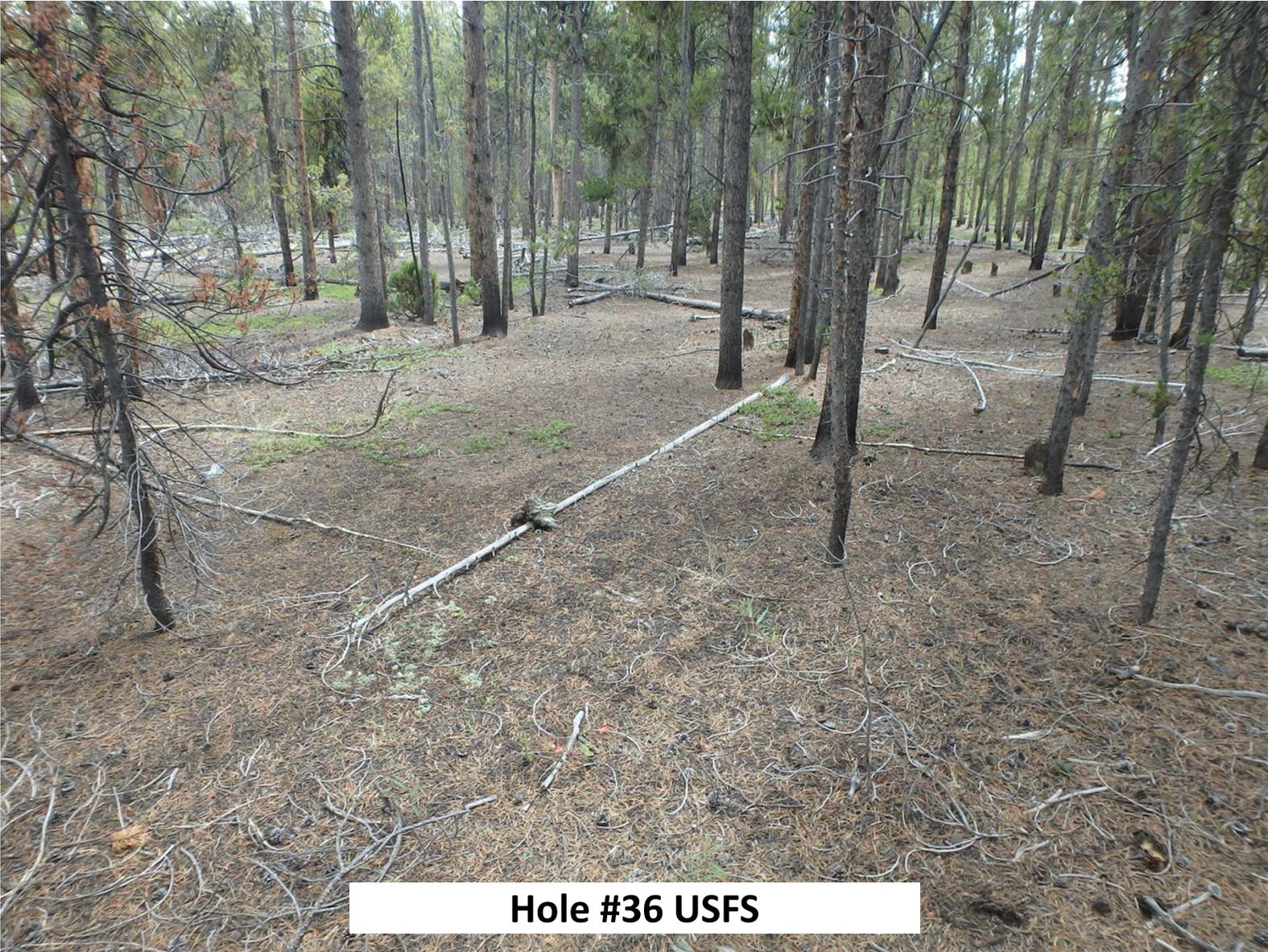
Hole #33 USFS



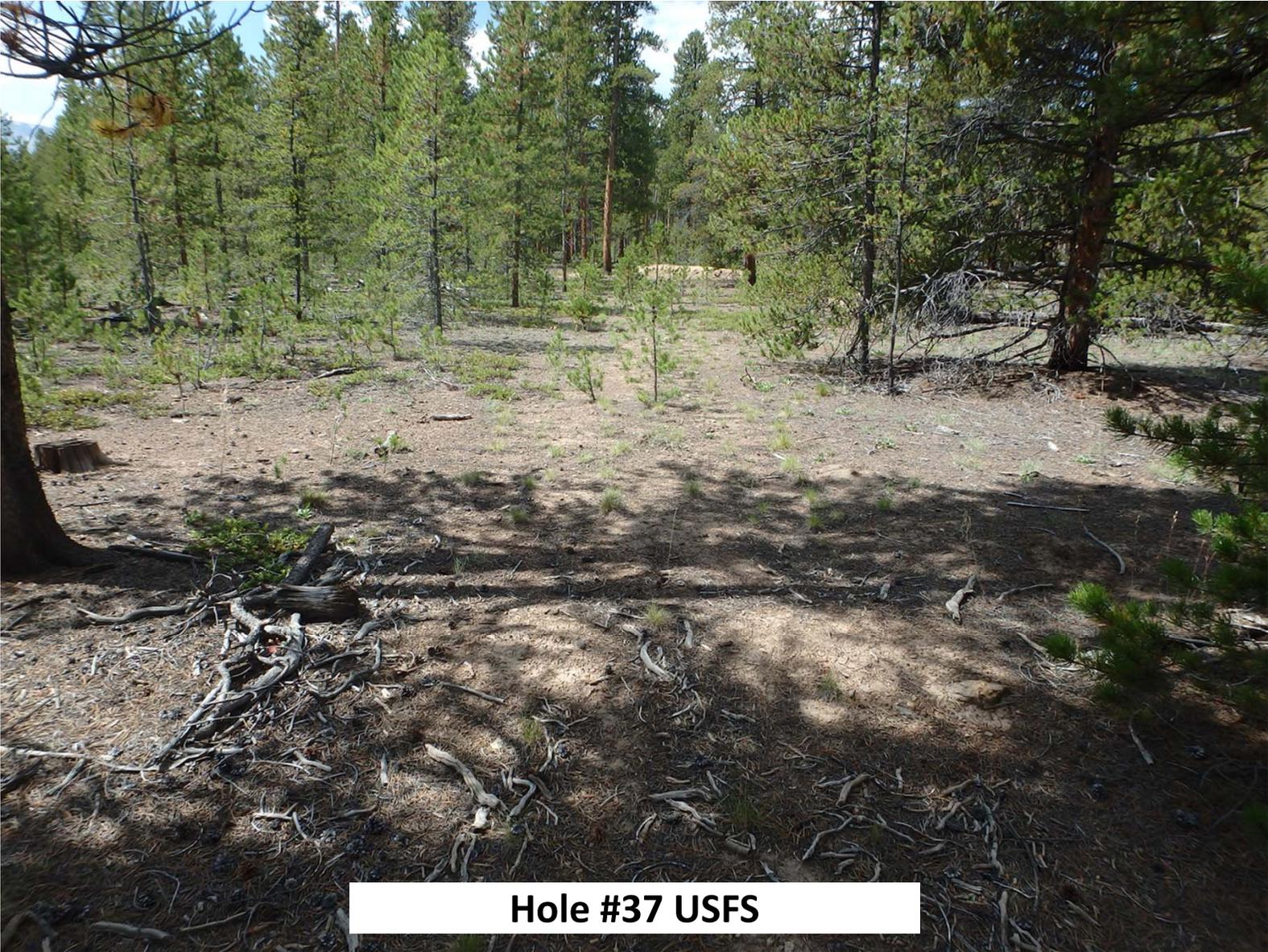
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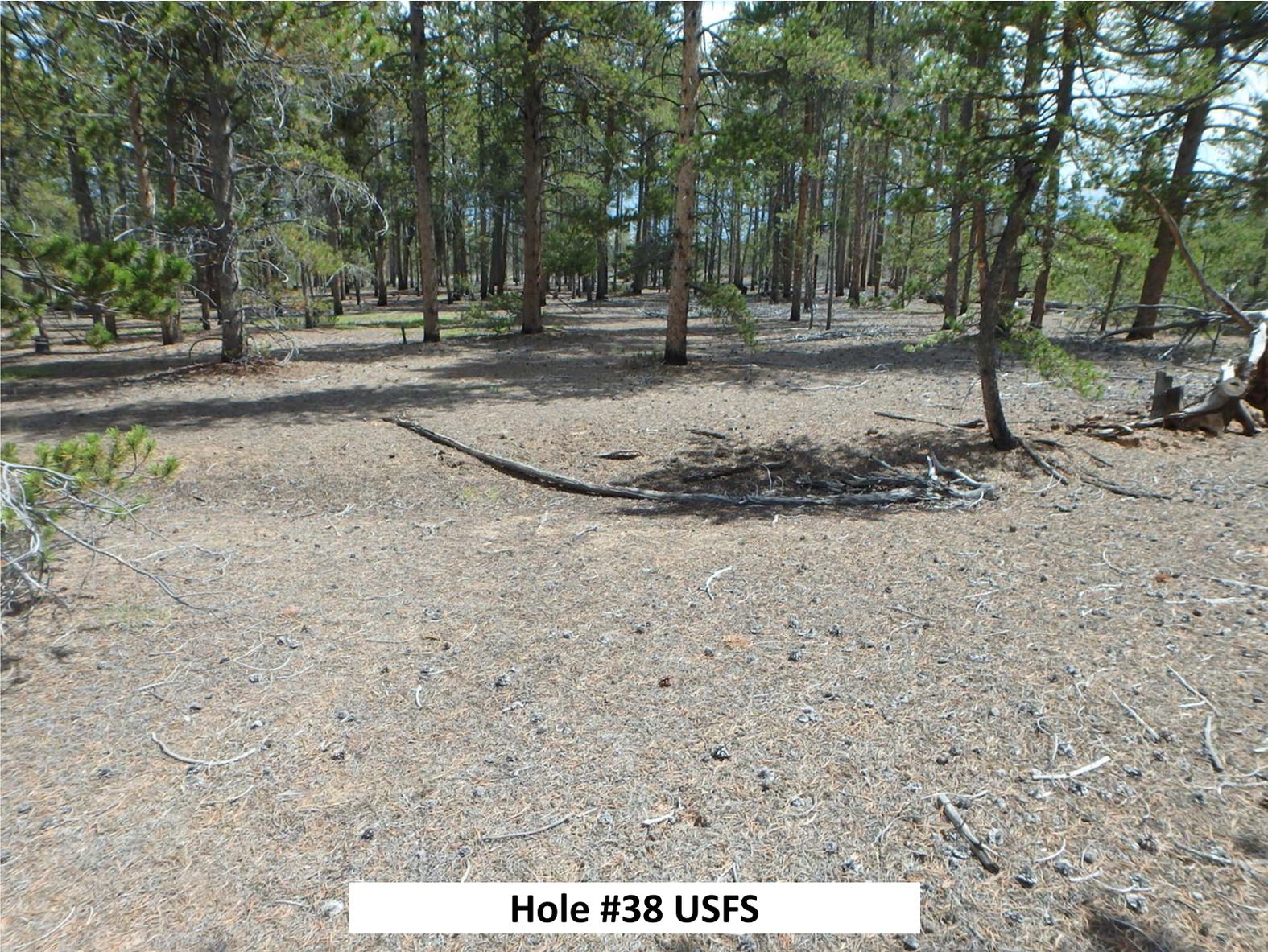
Hole #35 USFS



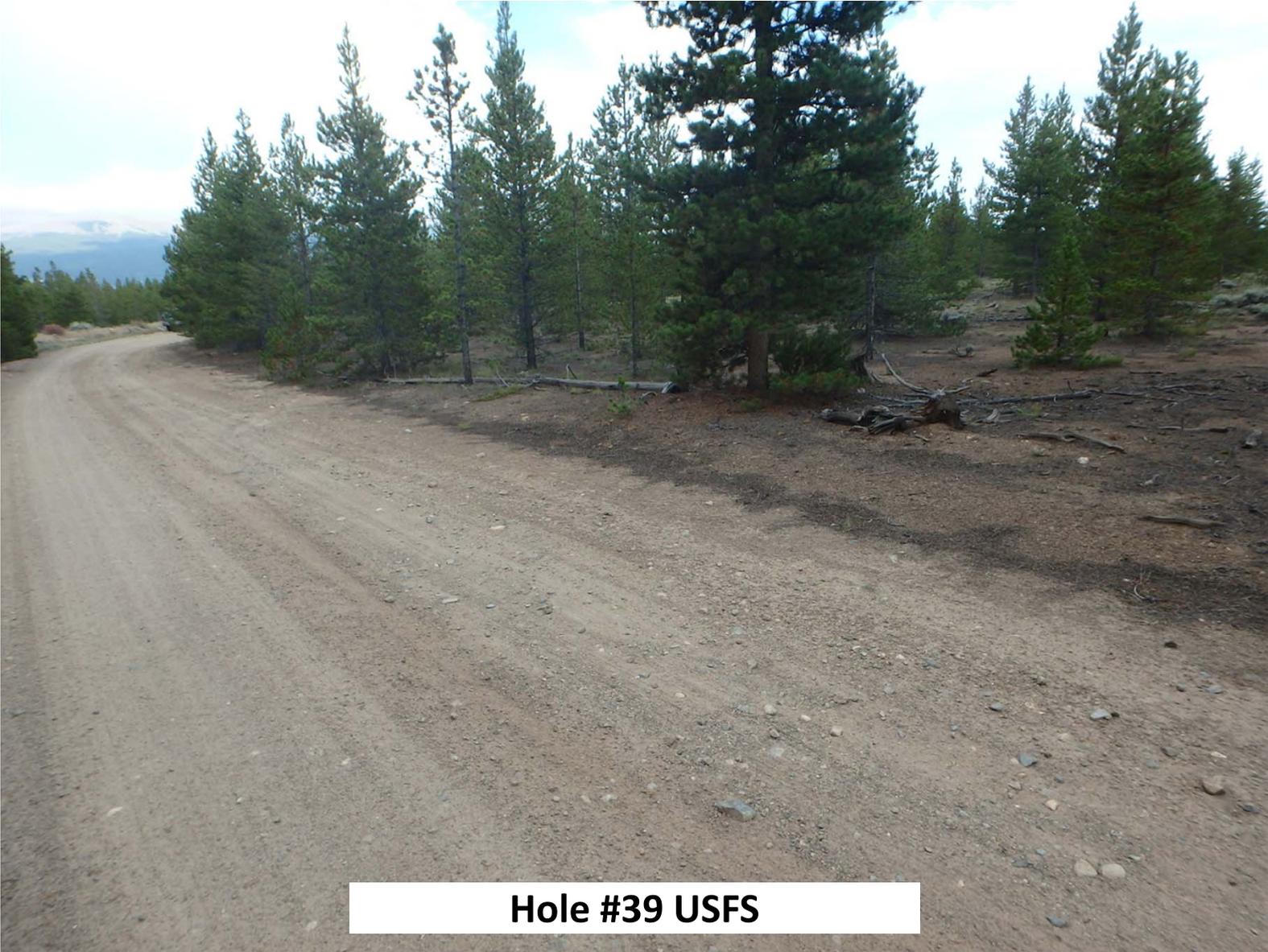
Hole #36 USFS



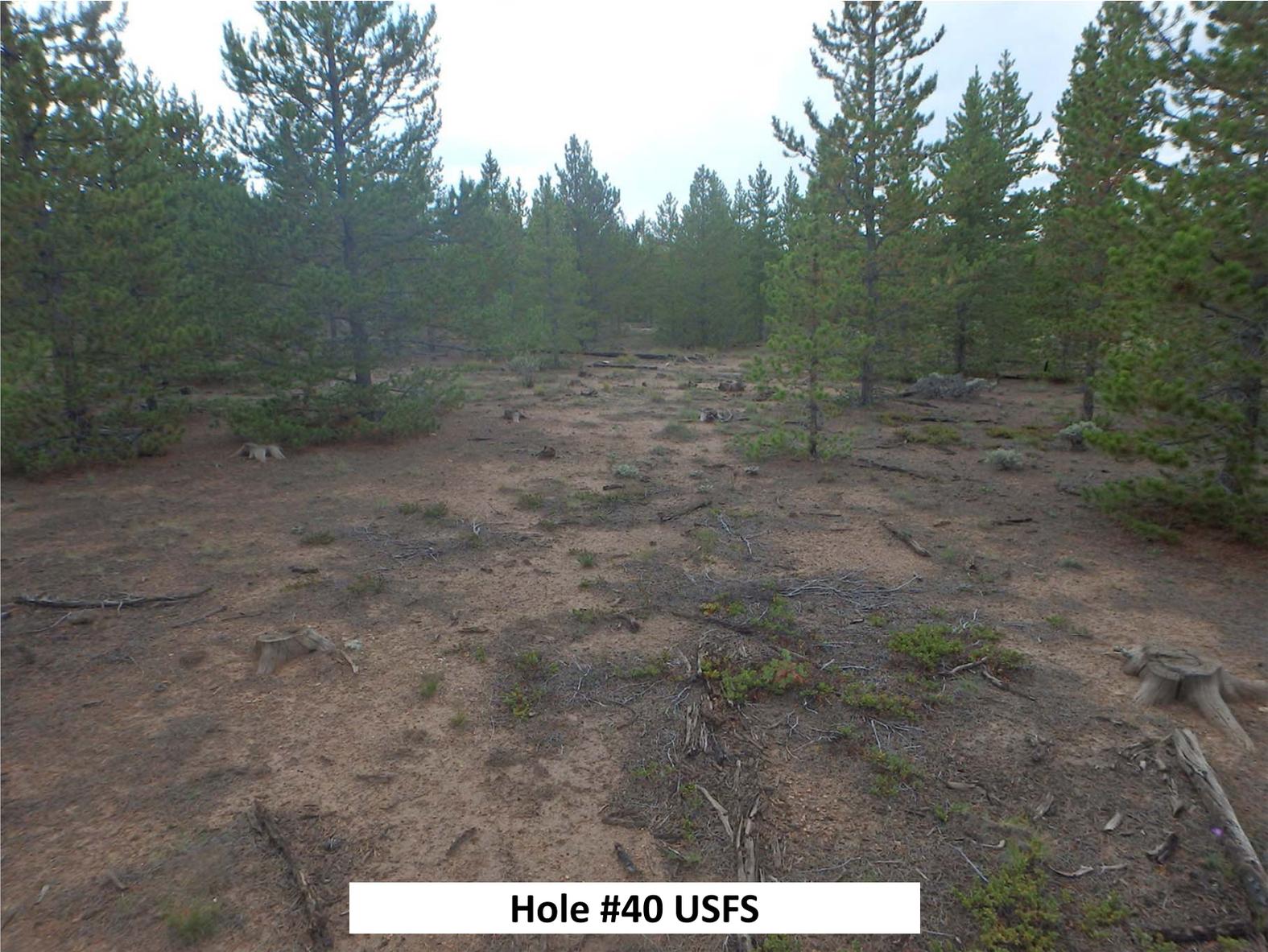
Hole #37 USFS



Hole #38 USFS



Hole #39 USFS



Hole #40 USFS



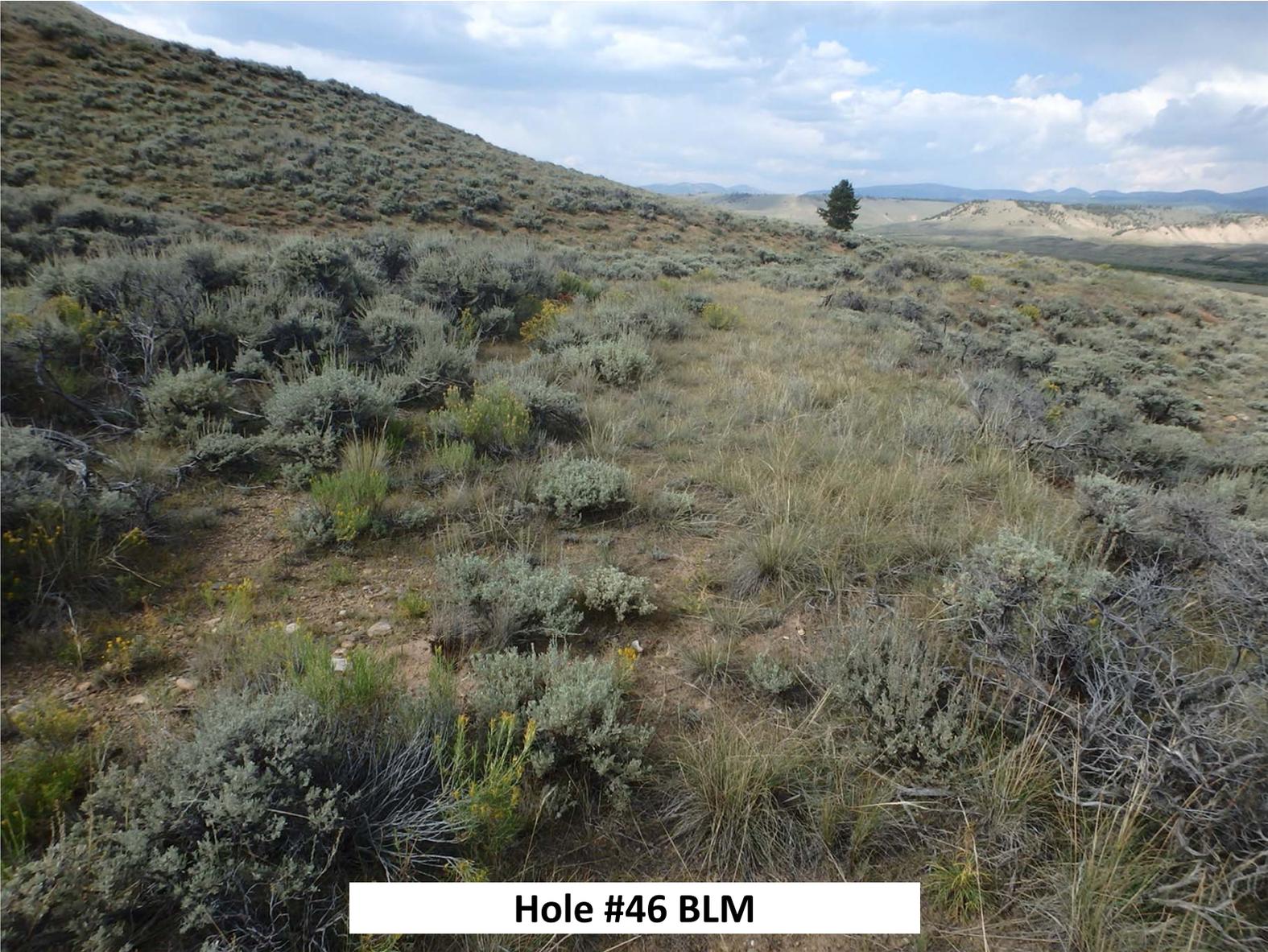
Hole #41 BLM



Hole #42 BLM



Hole #44 BLM



Hole #46 BLM



Hole #50 BLM



Hole #52 BLM



Hole #54 BLM



Hole #59 BLM



Hole #61 BLM