



COLORADO

Division of Reclamation,
Mining and Safety

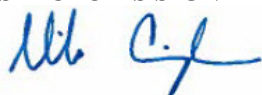
Department of Natural Resources

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: Emma Lode MS#7261	MINE/PROSPECTING ID#: M-2008-037	MINERAL: Silver, gold, copper,	COUNTY: Clear Creek
INSPECTION TYPE: Monitoring	INSPECTOR(S): Michael A. Cunningham	INSP. DATE: October 26, 2017	INSP. TIME: 11:00
OPERATOR: Venture Resources, Inc.	OPERATOR REPRESENTATIVE: Patrick Maher, Mason Drake	TYPE OF OPERATION: 110(2) - Hard Rock Limited Impact	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$6,050.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: November 21, 2017

The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.

INSPECTION TOPIC: Gen. Compliance With Mine Plan

PROBLEM/POSSIBLE VIOLATION: Problem: The Garland Shaft is not safeguarded from unauthorized entry into the mine. This is a problem pursuant to Rule 3.1.5(6) for failure to close or safeguard the shaft.

CORRECTIVE ACTIONS: The Operator shall submit a Technical Revision which addresses how the Garland Shaft will be safeguarded from unauthorized entry until such time as mining commences and a shaft collar/enclosure is constructed. The Technical Revision application shall be submitted to the Division on or before the corrective action date.

CORRECTIVE ACTION DUE DATE: 1/19/18

OBSERVATIONS

The inspection was conducted by Michael Cunningham of the Division of Reclamation, Mining and Safety (Division). Patrick Maher and Mason Drake of Venture Resources, Inc. were also present for the inspection. The Emma Lode site is located approximately 3 miles northwest of Idaho Springs in Clear Creek County. The site is permitted for 0.15 acres and the post-mining land use is residential.

The inspection was conducted as part of the Division's regular monitoring program; the site was last inspected in 2013. Conditions at the Emma Lode remain unchanged since the last inspection; no mining activity has occurred. The mine identification sign was posted at the site as required by Rule 3.1.12.

The existing disturbance at the Emma Lode consists of a shaft without a collar or an enclosure. The shaft is approximately 240' in length and connects to the 2nd underground level of the Dove's Nest Mine. The unsecured shaft opening is large enough for someone to fall into. According to the approved Mining Plan, a shaft collar/enclosure would be constructed immediately upon the commencement of mining. Pursuant to Rule 3.1.5(6), adits and shafts should be closed, and where practicable, backfilled and graded in a manner consistent with the post-mining land use. The Division is concerned the shaft, in its current state, is an attractive nuisance which poses a risk to public health and safety. This matter has been cited as a problem and will require corrective action by the Operator. Please see the first page of this report for additional information.

Prior to commencement of mining at the site the Operator will be required to comply with the conditions of the stipulated approval which includes conducting sampling and analyses of in situ ore and waste rock from the underground workings. In addition, the Operator will need to seek approval of a well permit from the Division of Water Resources.

The Division currently holds a financial warranty in the amount of \$6,050.00. The Division will recalculate the required financial warranty amount prior to the commencement of mining.

This concluded the inspection.

PHOTOGRAPHS



1. Permit sign at site entrance.



2. Unsecured mine shaft.

GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(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>N</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>PB</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <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

Inspection Contact Address

Patrick Maher
Venture Resources, Inc.
P.O. Box 1974
Idaho Springs, CO 80452

CC: Wally Erickson, DRMS