

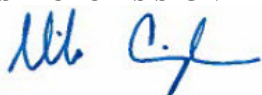
**COLORADO**Division of Reclamation,
Mining and Safety

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: Poorman Mine	MINE/PROSPECTING ID#: M-1982-058	MINERAL: Gold and silver	COUNTY: Clear Creek
INSPECTION TYPE: Monitoring	INSPECTOR(S): Michael A. Cunningham	INSP. DATE: November 28, 2017	INSP. TIME: 14:30
OPERATOR: Rocky West Mining Corp.	OPERATOR REPRESENTATIVE: Dave Mosch	TYPE OF OPERATION: 110(2) - Hard Rock Limited Impact	

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: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: February 2, 2018

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: Availability Of Records

PROBLEM/POSSIBLE VIOLATION: Problem: Rocky West Mining Corporation is no longer registered with the Colorado Secretary of State. This is a problem pursuant to C.R.S. 34-32-109(5)(b), which requires Operators to comply with all other applicable statutes, rules and regulations.

CORRECTIVE ACTIONS: The Operator shall provide documentation which demonstrates Rocky West Mining Corporation is registered and in good standing with the Colorado Secretary of State. Alternatively, the Operator may request a Succession of Operator to transfer the Reclamation Permit to a different person, firm, partnership, association or corporation. The corrective action shall be completed by the corrective action date.

CORRECTIVE ACTION DUE DATE: 5/01/18

INSPECTION TOPIC: Gen. Compliance With Mine Plan

PROBLEM/POSSIBLE VIOLATION: Problem: The current mine plan needs to be updated and clarified pursuant to C.R.S. 34-32-110(2)(VII). The operator must provide sufficient information to describe or identify how the operator intends to conduct the operation.

CORRECTIVE ACTIONS: The operator shall submit a Technical Revision, with the required \$216 revision fee, to update and clarify the current approved mine plan to reflect existing and proposed activities. The Technical Revision shall be accompanied by an updated Mining Plan Map and shall be submitted by the corrective action date.

CORRECTIVE ACTION DUE DATE: 5/01/18

INSPECTION TOPIC: Reclamation Success

PROBLEM/POSSIBLE VIOLATION: Problem: The current reclamation plan needs to be updated and clarified pursuant to C.R.S. 34-32-116 (2). The operator must follow approved reclamation plan or provide sufficient information to describe or identify how the operator intends to conduct reclamation.

CORRECTIVE ACTIONS: The operator shall submit a Technical Revision, with the required \$216 revision fee, to update and clarify the current approved reclamation plan to reflect existing and proposed activities. The Technical Revision shall be accompanied by an updated Reclamation Plan Map and shall be submitted by the corrective action date.

CORRECTIVE ACTION DUE DATE: 5/01/18

OBSERVATIONS

The inspection was conducted by Michael Cunningham of the Division of Reclamation, Mining and Safety (Division). Dave Mosch was present on behalf of Rocky West Mining Corporation. The Poorman Mine is located approximately 4.5 miles southwest of Idaho Springs, Colorado. The operation is permitted to affect one acre and the commodities of interest are gold and silver.

Availability Of Records:

A search of the Colorado Secretary of State's database found that Rocky West Mining Corporation was dissolved on January 1, 1993. Therefore, the Permittee of the Poorman Mine is no longer registered to conduct business in Colorado. In order for a corporation to hold a Reclamation Permit, the corporation must be registered and in good standing with the Colorado Secretary of State. This matter has been cited as a problem and will require corrective action; please see the first page of this report for additional information.

Financial Warranty:

The Division holds a financial warranty in the amount of \$100.00, which is not adequate to perform reclamation of the Poorman Mine. At a minimum, the financial warranty should account for the removal of the rail line and the office structure. As noted in this report, the Mining and Reclamation Plans must be updated and clarified through a Technical Revision. The Division will recalculate the required financial warranty amount following the approval of the required Technical Revision.

Hydrologic Balance:

The Division did not observe any discharge from the mine and found no evidence of prior discharges from the mine.

Gen. Compliance With Mine Plan:

The facilities at the mine include a small office adjacent to the portal. The portal is secured with a set of locking steel doors. A rail line extends approximately 70 ft. from the portal to a timbered load-out area. There is an existing waste rock dump on which the rail line is situated. The waste rock dump was in existence prior to the issuance of the Reclamation Permit. To date, the Operator has not expanded the waste rock dump.

The approved Mining Plan states waste rock generated through underground mining would be added to the waste rock pile. A review of the Mining and Reclamation Plans found there is little detail regarding how mining and reclamation will be conducted at the Poorman Mine. The Reclamation Permit does not specify the total volume of material which will be added to the waste rock pile. In addition, the Reclamation Plan does not clearly describe how the site will be reclaimed. The Reclamation Permit specifies the post-mining land use for the site will be a forest fire fighting base station, but contains no detail on how the forest fire fighting base station would be constructed. Finally, the Division does not have a Mining Plan Map or Reclamation Plan Map which accurately depicts the once acre permit area. The lack of detail in the Mining and Reclamation Plans has been cited as a problem and will require corrective action; please see the first page of this report for additional information. The Operator should note that multiple changes can be made under a single Technical Revision submittal.

Signs and Markers:

Permit sign was posted at the site entrance as required by Rule 3.1.12.

PHOTOGRAPHS



1. Portal with locking steel doors.



2. Mine office.



3. Generator.



4. Scrap metal.

GENERAL INSPECTION TOPICS

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

(AR) RECORDS----- <u>PB</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</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>PB</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

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