




**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.

<b>MINE NAME:</b> Carnation Mine	<b>MINE/PROSPECTING ID#:</b> M-1977-416	<b>MINERAL:</b> Uranium and vanadium	<b>COUNTY:</b> San Miguel
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Lucas J. West, Russ Means	<b>INSP. DATE:</b> March 28, 2018	<b>INSP. TIME:</b> 10:11
<b>OPERATOR:</b> Pinon Ridge Mining LLC	<b>OPERATOR REPRESENTATIVE:</b> George Glasier, Mike Rutter	<b>TYPE OF OPERATION:</b> 110d - Designated Limited Impact	
<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> Complete Bond	<b>BOND AMOUNT:</b> \$22,468.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None	
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> April 4, 2018	

**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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>Y</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>Y</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>Y</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>Y</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 as part of the normal monitoring program for permitted Designated Mining Operations established by the Colorado Division of Reclamation, Mining and Safety. The Carnation mine is a 110d operation that is currently in Temporary Cessation and consists of a maximum allowed disturbance of 9.8 acres. The site is a part of a five site permitted complex collectively referred to as the Sunday Mine Complex. The Division currently holds \$22,468.00 in Financial Warranty for the site. A reclamation cost estimate update was performed, and staff calculations found that the currently held financial warranty is not sufficient to achieve final reclamation in accordance with the approved reclamation plan. Please see the enclosed Notice of Surety Increase and Reclamation Cost Estimate Worksheets for details. Four Photos accompany this report to illustrate the current conditions of the site.

As seen in Photo One, the permit ID sign was observed at the entrance to the site. The permit boundary markers were also observed and all disturbances were confined within the permitted area. Evidence that the diversion ditches and storm water control devices are functioning as designed and no significant erosion was observed throughout the site. The lower permit area was also in good condition with no signs of significant erosion. The lower area has begun to revegetate itself and appears to be in good condition.

The portal located on site was also secured, it has been backfilled, closed off with steel grates as well as encompassed by a small berm as seen in Photo Two. No fuel storage containers were observed on site.

The main pad and work area was in good condition as seen in Photos Three and Four, evidence of weed management during the growing season was observed. The whole site exhibits positive drainage and no erosional issues were observed at this time. A concrete slab foundation is located on the portal pad measuring approximately 20 x 30 ft. with an adjacent utility pole and line. The foundation, utility pole and wire are slated to be removed during final reclamation. The portal pad area has begun to revegetate itself with volunteer species.

The overall footprint of the site was in good condition and free from excessive trash and debris. No problems or possible violations were noted during this inspection. All questions or responses to this report should be directed to Lucas West at the Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by phone at (970)-243-6368 or by email at [lucas.west@state.co.us](mailto:lucas.west@state.co.us).

## PHOTOGRAPHS



Photo One: View South, showing the proper Mine ID signage posted at the entrance to the site.

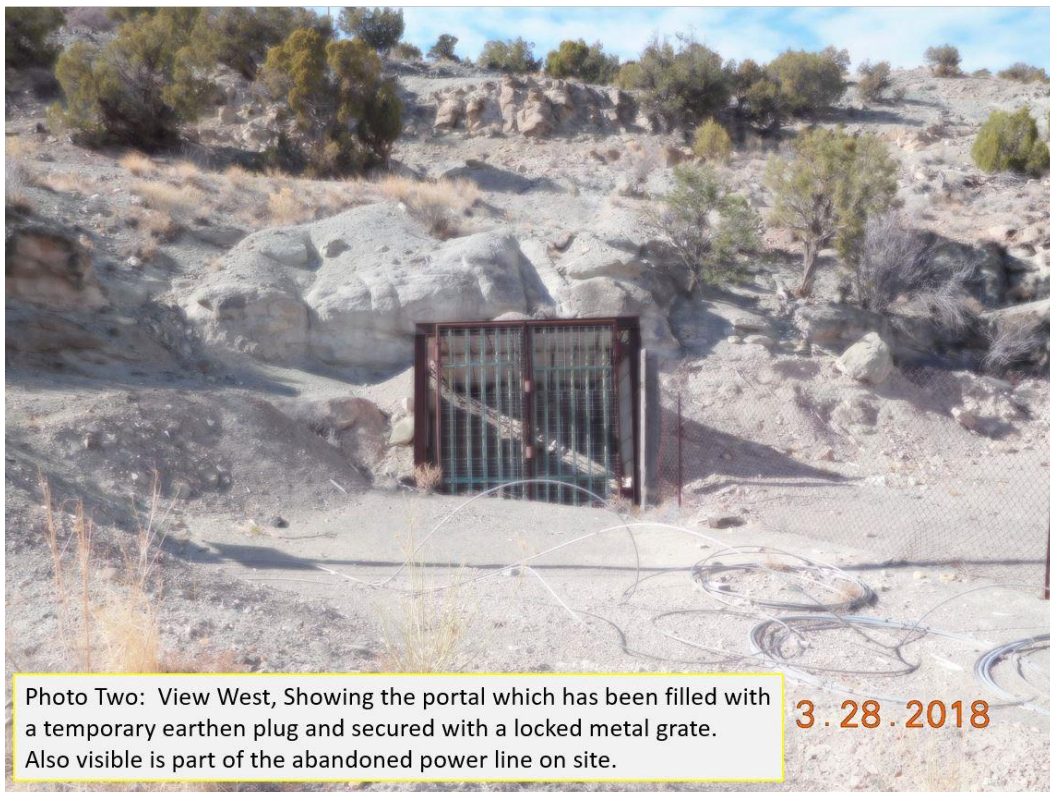
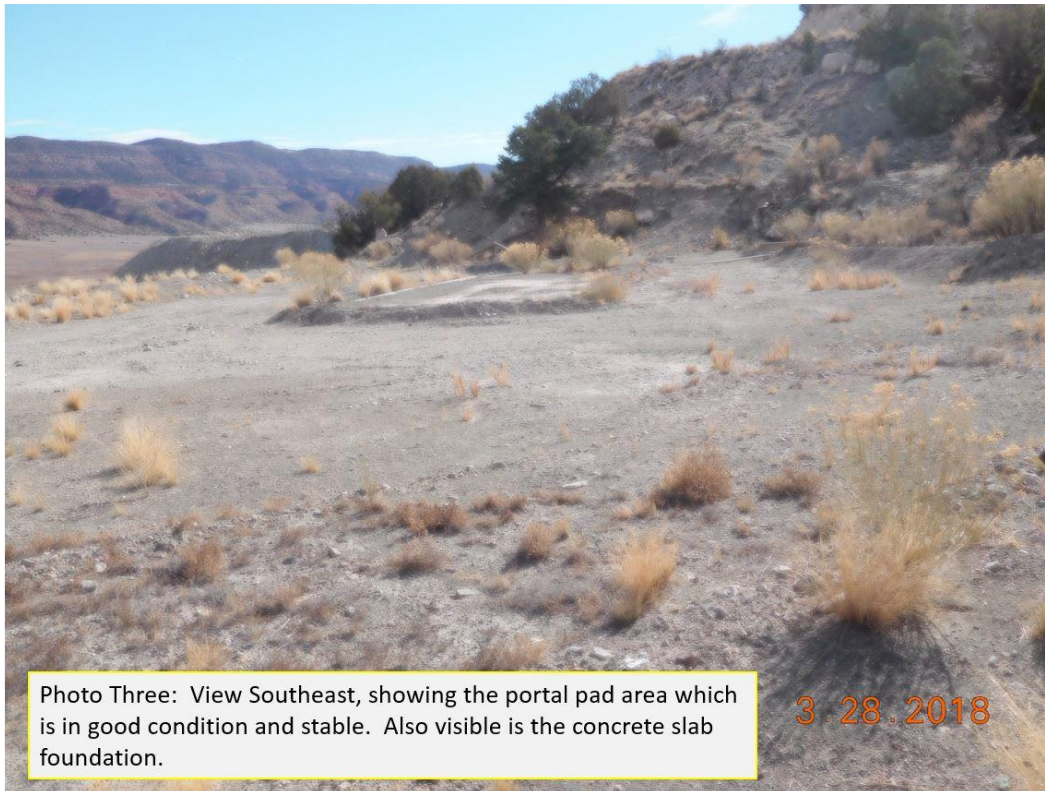


Photo Two: View West, Showing the portal which has been filled with a temporary earthen plug and secured with a locked metal grate. Also visible is part of the abandoned power line on site.





**Inspection Contact Address**

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Pinon Ridge Mining LLC  
P O Box 825  
Nucla, CO 81424

Enclosure: Notice of Surety Increase, SI-2 and Reclamation Cost Estimate Worksheets

CC: James Blair, Bureau of Land Management  
Russ Means, Senior Environmental Protection Specialist