

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:		MINE/PROSPECTING ID#:	MINERAL:	COUNTY:		
St Jude Mine		M-1978-039-HR	Uranium and vanadiu	San Miguel		
INSPECTION TYPE:		INSPECTOR(S):	INSP. DATE:	INSP. TIME:		
Monitoring		Lucas J. West	March 28, 2018	10:22		
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:			
Pinon Ridge Mining LLC		George Glasier, Mike Rutter	110d - Designated Limited Impact			
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:			
Normal I&E Program		Complete Bond	\$47,700.00			
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:			
NA		None	None			
WEATHER:	INSPECTOR'S SIGNATURE:		SIGNATURE DATE:			
Clear	Agan		April 5, 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 Y	(RD) ROADS <u>N</u>
(HB) HYDROLOGIC BALANCE <u>N</u>	(BG) BACKFILL & GRADING Y	(EX) EXPLOSIVES <u>N</u>
(PW) PROCESSING WASTE/TAILING <u>N</u>	(SF) PROCESSING FACILITIES N	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE N	(RV) REVEGETATION <u>N</u>
(SM) SIGNS AND MARKERS Y	(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 Y	(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 St. Jude 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. Public access to the site is controlled by a locked gate along the access road. The Division currently holds \$47,700.00 in Financial Warranty for the site. A reclamation cost estimate update was performed and staff calculations have found that the currently held financial warranty is insufficient to achieve reclamation in accordance with the approved reclamation plan. Please see the enclosed Notice of Surety Increase, SI-2 and Reclamation Cost Estimate Worksheets for details. Five Photos accompany this report to illustrate the current conditions of the site.

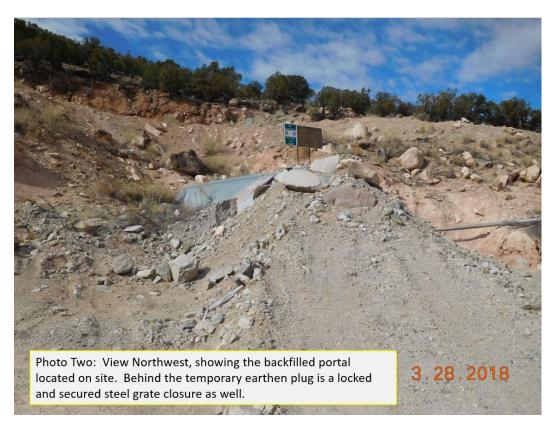
As seen in Photo One, the permit ID sign was observed at the entrance to the site. The permit boundary markers were also observed. All disturbances are contained within the permitted areas. The remote vent shaft sites were not inspected at this time. The diversion ditches and storm water control devices appear to be functioning as designed and no significant erosion was observed throughout the site. The main work area, adjacent to the portal and shops, appeared to be stable and in good condition. The portal located on this site has been backfilled and secured. Photo Two shows the earthen cover placed over the portal. No evidence of vandalism or attempted unauthorized entry to the portal was observed during the inspection.

All work and shop facilities onsite were secured and appeared to be in good condition as seen in Photo Three. No fuel storage containers were observed on site. Various other debris was observed on site however it was stored in an orderly fashion and was not a concern at this time. The waste rock dump storage area was observed, and appears to be stable and in good condition. The waste rock stored in the area can be seen in Photos Four and Five.

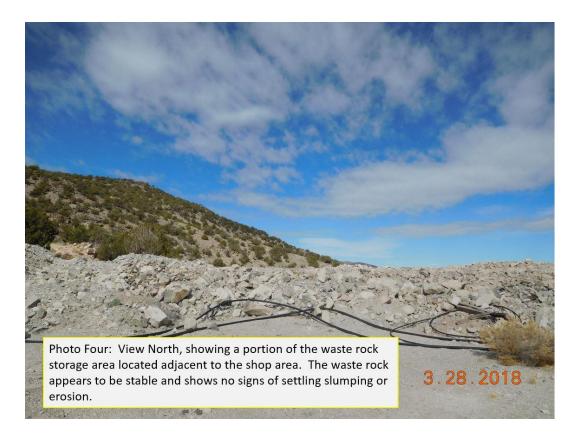
Evidence of weed management during the growing season was observed. The whole site exhibits positive drainage and no erosional issues were observed at this time. The overall footprint of the site was in good condition and free from excessive trash and debris. The condition of the site remains largely unchanged from the previous 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.

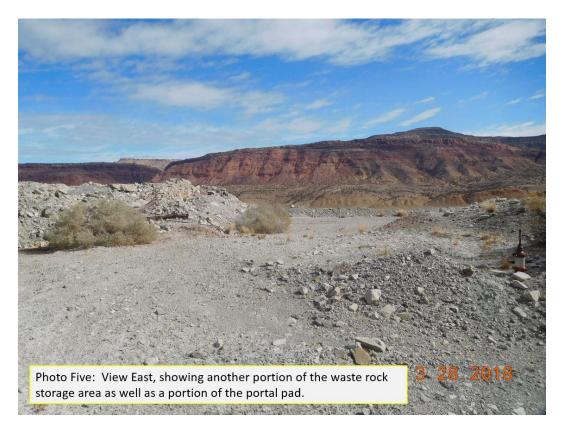
PHOTOGRAPHS











Inspection Contact Address

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

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

CC: Russ Means, Senior Environmental Protection Specialist

Ec: James Blair, Bureau of Land Management