

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:		
Hinkson Site		M-2018-046	Borrow	Ouray		
INSPECTION TYPE:		INSPECTOR(S):	INSP. DATE:	INSP. TIME:		
Illegal(Unpermitted Operation)		Travis H. Marshall	August 10, 2018	10:00		
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:			
Craig Hinkson		Craig Hinkson	NM - Not Mining			
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:			
Citizen Complaint		None	No Bond Held			
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:			
NA		None	None			
WEATHER:	INSPECTOR'S SIGNATURE:		SIGNATURE DATE:			
Clear	1	Cull	August 30, 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>NA</u>	(FN) FINANCIAL WARRANTY <u>NA</u>	(RD) ROADS <u>NA</u>
(HB) HYDROLOGIC BALANCE <u>NA</u>	(BG) BACKFILL & GRADING <u>NA</u>	(EX) EXPLOSIVES <u>NA</u>
(PW) PROCESSING WASTE/TAILING NA	(SF) PROCESSING FACILITIES <u>NA</u>	(TS) TOPSOIL <u>NA</u>
(MP) MINE PLAN COMPLIANCE- <u>NA</u>	(FW) FISH & WILDLIFE <u>NA</u>	(RV) REVEGETATION <u>NA</u>
(SM) SIGNS AND MARKERS <u>NA</u>	(SP) STORM WATER MGT PLAN NA	(RS) RECL PLAN/COMP NA
(ES) OVERBURDEN/DEV. WASTE NA	(SC) EROSION/SEDIMENTATION NA	(ST) STIPULATIONS <u>NA</u>
(AT) ACID OR TOXIC MATERIALS NA	(OD) OFF-SITE DAMAGE <u>NA</u>	

 $Y = Inspected \ and \ found \ in \ compliance \ / \ N = \ Not \ inspected \ / \ NA = \ Not \ applicable \ to \ this \ operation \ / \ PB = Problem \ cited \ / \ PV = Possible \ violation \ cited \ PV = Possib$

OBSERVATIONS

This inspection was conducted as a response to a citizen complaint to investigate a possible illegal mining operation in Ouray County within the city limits of Ouray Colorado. The site is located on the northern edge of Ouray city limits on the east side of Colorado Highway 550. The subject property is called the Daisy Placer. The property owner Craig Hinkson was present for the site inspection.

Mr Hinkson's property was historically used as a campground and a retail/restaurant space that was located in the cliff face. Mr. Hinkson stated that the property was deemed unfit for a campground and retail area due to rock fall and stormwater debris flow hazards. He stated that in the past a few large boulders came down the cliff/drainage above the property and destroyed structures on the property. Ever since this event he was not allowed to conduct commercial activities on the site.

Due to safety issues with Mr. Hinkson's property the activity which was perceived by the complainant as mining was actually storm debris flow and rock fall mitigation and control efforts being conducted by Mr. Hinkson to allow him to use the property in a beneficial way. Mr. Hinkson constructed a wall / berm below the area of concern that would prevent boulders and debris from running out onto the flat area to the west or Highway 550. Mr. Hinkson also removed a large amount of the alluvial fan and intends to use that material to raise the grade of the property to the west of the rock fall control berm.

No evidence of material being hauled off the property was observed during the inspection. Mr. Hinkson denied any material being hauled off the property.

Due to the conditions observed during the inspection and lack of evidence of material being hauled off the property the activities and conditions observed at the Hinkson site are not considered a mining related activity or mine development project. Due to this determination a reclamation permit is not required by the property owner. If Mr. Hinkson wishes to remove material from the property a reclamation permit will be required. Please contact the Division if you have questions regarding the reclamation permit application process.

No problems or possible violations were observed during the inspection.

Pictures that show the conditions observed during the inspection are included at the end of this report.

Responses to this inspection report should be directed to Travis Marshall at the Division of Reclamation Mining and Safety Grand Junction Field Office, 101 South 3rd Street, Suite 301, Grand Junction, Colorado 81501 phone no. (970) 241-2042.











Inspection Contact Address Craig Hinkson P.O. Box 1817 Ouray, CO 81427