

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:
October Ore Pile Reclamation	M-2008-050	Vanadium/uranium	Mesa
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring	Amy C. Yeldell	October 30, 2018	11:30
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Nuvemco, LLC	Craig Howell	110d - Designated Limited Impact	
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program	None	\$13,220.00	
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGE	NCY:
NA	None	U.S.BLM	
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DAT	E:
Raining/snow	Amy Geldell	November 19, 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>Y</u>	(BG) BACKFILL & GRADING <u>Y</u>	(EX) EXPLOSIVES <u>N</u>
(PW) PROCESSING WASTE/TAILING N	(SF) PROCESSING FACILITIES NA	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- Y	(FW) FISH & WILDLIFE N	(RV) REVEGETATION N
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN N	(RS) RECL PLAN/COMP N
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION \underline{Y}	(ST) STIPULATIONS <u>N</u>
(AT) ACID OR TOXIC MATERIALS NA	(OD) OFF-SITE DAMAGE <u>NA</u>	

Y = Inspected / 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 Colorado Division of Reclamation, Mining and Safety (Division) normal monitoring program. The October Ore Pile Reclamation site is a 110d Designated Mining Operation that consists of a half ace permitted site. The site located four miles southwest of Gateway, Colorado. Eric Eckberg represented the BLM. Craig Howell of Nuvemco, LLC. represented the operator. Amy Yeldell of the Division conducted the inspection.

The site was inactive at the time of the inspection. On January 31, 2017 the site was granted a second non-continuous period of temporary cessation (TC-2). TC-2 began on December 27, 2016 and will end on December 27, 2021.

The mine identification sign and affected area boundary markers are in place and in compliance with Rule 3.1.12. Only a stockpile of Ore from the adjacent October Mine remains on site. There are no structures, equipment or other mining related features on site. The site remains stable and no erosion was observed. No additional disturbances were evident. Vegetation surrounding the pile remains adequate and no weeds were observed.

Mr. Howell did indicate that he is hopefully that a future sale will occur. This site is an ideal candidate to test vanadium circuits since the site is already permitted and ore is already mined and more readily available than from other locations. Once the pile is removed the operation will being final reclamation to reclaim the land back to rangeland.

The Division currently holds a financial warranty amount of \$13,220 for this site.

No problems or violations were noted during this inspection.

Responses to this inspection report should be directed to: Amy Yeldell at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 970-254-8511 or via email at amy.yeldell@state.co.us

Inspection Contact Address

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CC:

Wally Erickson, Senior EPS, Grand Junction DRMS

Enclosure

PHOTOGRAPHS

