

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	August 5, 2019	10:25
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Pinon Ridge Mining LLC		George Glasier, Michael Rutter	110d - Designated Limited Impact	
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program		None	\$61,021.00	
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:	
NA		None	None	
WEATHER:	INSPECTOR'S SIGNATURE:		SIGNATURE DATE:	
Clear	DAM.		August 22, 2019	

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>N</u>	(RD) ROADS <u>N</u>
(HB) HYDROLOGIC BALANCE <u>N</u>	(BG) BACKFILL & GRADING <u>N</u>	(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 <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

OBSERVATIONS

This inspection was conducted as part of the routine monitoring program established by the Colorado Division of Reclamation Mining and Safety's Minerals Program. The inspection also served to evaluate the level of activity proposed and being conducted in accordance with the written notice of activation received by the Division. It has been determined that more information and details are needed in regards to the activity level at all five sites associated with the Sunday Complex to accurately determine their status. 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. Public access to the site is controlled by a locked gate along the access road. The Division currently holds \$61,021.00 in Financial Warranty for the site. A reclamation cost estimate update was not performed at this time. In addition to the Operator representative listed on page one of this report, James Blair of the Bureau of Land Management and Frank Filas of Filas Engineering and Environmental Services LLC were present during the inspection. Three 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. Various mining related equipment and vehicles were on site at the time of the inspection. 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 earthen backfill used to secure the portal has been removed, the gates have been opened and the mine has been ventilated. The portal structure is in good condition and required only minor repairs. The portal located on site can be seen in Photo Two. A tank of Mag Chloride is located adjacent to the portal to be used in road maintenance throughout the sites.

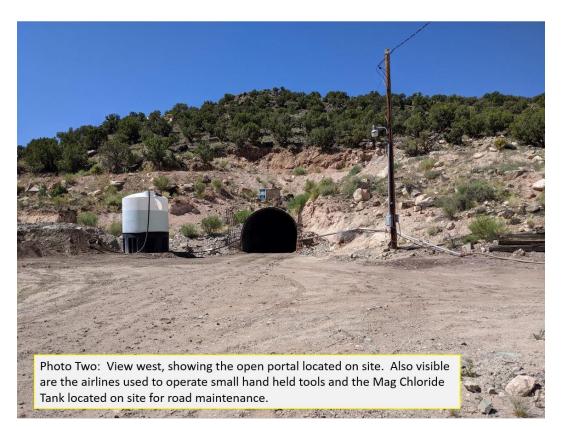
The shop facility has been repaired and is in full use. The interior and exterior of the shop are in good condition. The shop facility can be seen in Photo Three. No fuel storage containers were observed on site. Various other debris was observed on site however it was stored in an orderly fashion and was not a concern at this time. The waste rock dump storage area was observed, and appears to be stable and in good condition.

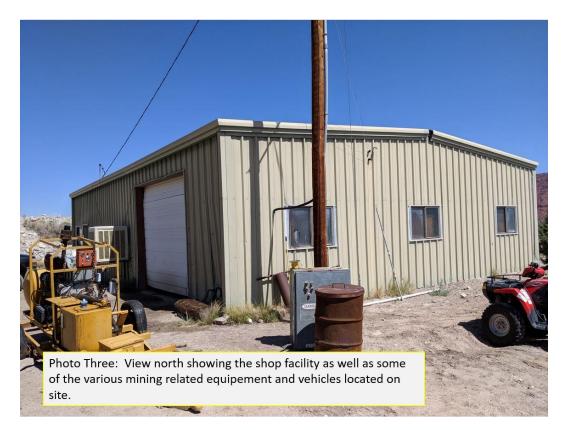
On site discussions indicate that the main focus of the upcoming activity will be conducted at the St. Jude Mine and the other sites associated with the Sunday Complex. The discussed activity includes a drilling and bulk sampling project to assess the vanadium deposits in the mine, mine development work including upgrading of the storm water management structures in accordance with the approved Environmental Protection Plan, and an overall plan moving forward. The Division informed the Operator that all details of the proposed activity need to be submitted in writing to the Division to properly assess whether the activity meets the threshold for the site to be listed in an Active status.

Active weed management was observed during the inspection. 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, Micheal Rutter Pinon Ridge Mining LLC P O Box 825 Nucla, CO 81424

Enclosure

EC: James Blair, BLM Frank Filas, Filas Engineering and Environmental Services, LLC Michael Rutter, Pinon Ridge Mining, LLC George Glasier, Pinon Ridge Mining, LLC