


**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: Sunday Mine	MINE/PROSPECTING ID#: M-1977-285	MINERAL: Uranium and vanadium	COUNTY: San Miguel
INSPECTION TYPE: Monitoring	INSPECTOR(S): Lucas J. West	INSP. DATE: August 5, 2019	INSP. TIME: 11:47
OPERATOR: Pinon Ridge Mining LLC	OPERATOR REPRESENTATIVE: George Glasier, Michael Rutter	TYPE OF OPERATION: 112d-2 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$330,242.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: 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>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>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>Y</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 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. In addition to the evaluation of the activity at the site this inspection was conducted to observe the final constructed earthen cover over the temporary low grade stockpile as approved by TR-04. The site consists of 60 permitted acres and a maximum disturbance of 40 acres. The remote vent shaft sites for all five permitted mines within the Sunday Mine Complex were not inspected at this time. The Division Currently holds \$330,242.00 in Financial Warranty for the site. In addition to the Operator representative listed on page one of this report, James Blair of the Bureau of Land Management (BLM) and Frank Filas of Filas Engineering and Environmental Services LLC were present during the inspection. 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 storm water control devices are in good condition and appear to be functioning as designed at the time of the inspection. All diversion ditches appear to be functioning as designed and no significant erosion was observed throughout of the site. The waste rock dumps and out slopes of all constructed faces were observed and appear to be stable. The portal has been opened and the earthen plug has been removed. The portal is currently being used as source of ventilation only and can be seen in Photo Two. All work facilities were secure and seemed to be in good condition during the time of the inspection. Vent shaft S-2, located to the Northwest of the shop facilities is covered with a steel grate and has been secured. All loadouts, roads and pad areas that exist on site were observed and in good condition.

The temporary stabilization of the stockpile in accordance with TR-04 has been completed. The Operator detailed the construction activities that consisted of construction of an access road to reach the top of the stockpile, importation of cover material from the waste rock dump located on site after it had been scanned with the handheld XRF unit, placing and grading the material to ensure an evenly distributed cap of between 12-18 inches and follow up XRF survey to ensure the earthen cap was successful in resulting in no average surface readings greater than 500 PPM. The earthen cap over the stockpile can be seen in Photos Three through Five. Since the time of the inspection the official follow up report, survey and its associate maps have been received. All construction was done as approved through TR-04 and the matter is considered fully and completely resolved at this time.

The overall footprint of the site is in good condition, and free from excessive trash or debris. No significant signs of settling, slumping or erosion were noted on site and no State Listed Noxious Weeds were observed. All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety at 1313 Sherman Street, Room 215, Denver CO, 80203, by phone at (970)-243-6368 or by email at lucas.west@state.co.us.

PHOTOGRAPHS



Photo One: Showing the proper Mine ID Signage posted on the gate to the site.

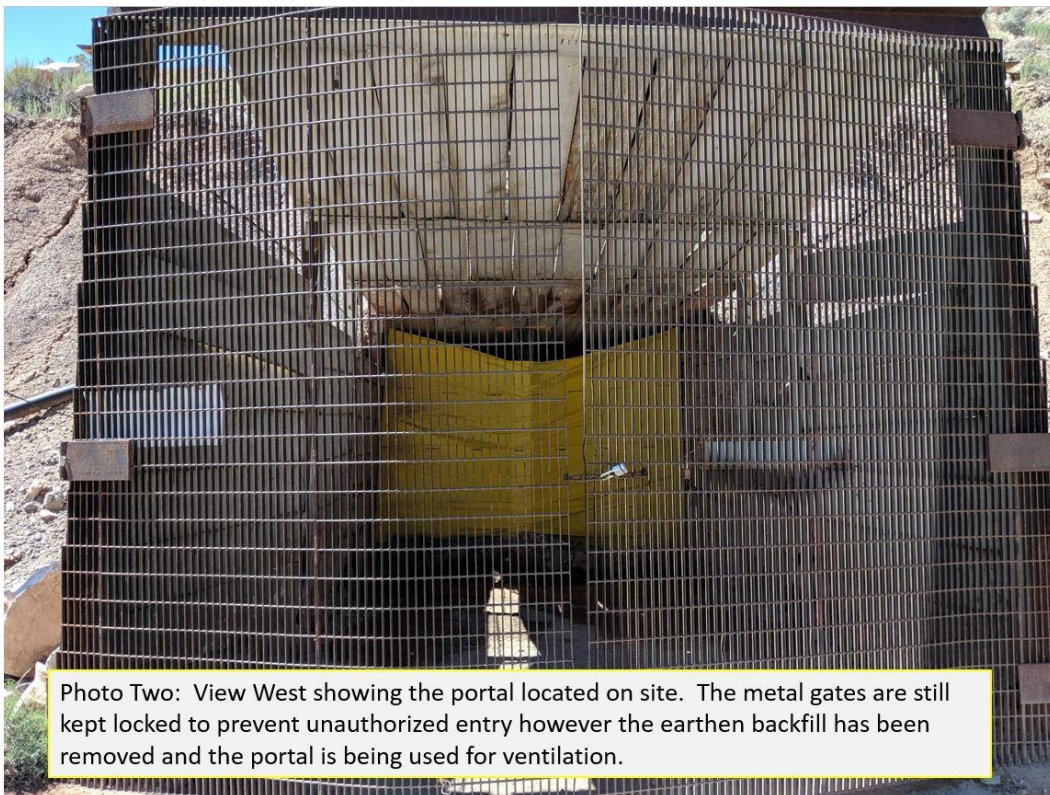


Photo Two: View West showing the portal located on site. The metal gates are still kept locked to prevent unauthorized entry however the earthen backfill has been removed and the portal is being used for ventilation.





Inspection Contact Address

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

Enclosure

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