


**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: Kate	MINE/PROSPECTING ID#: P-2016-019	MINERAL: Silver	COUNTY: Custer
INSPECTION TYPE: Surety Release Inspection	INSPECTOR(S): Brock F. Bowles	INSP. DATE: August 27, 2019	INSP. TIME: 11:00
OPERATOR: Viscount Colorado Holdings, LTD	OPERATOR REPRESENTATIVE: Rick Squire	TYPE OF OPERATION: MP - Mineral Prospecting	
REASON FOR INSPECTION: Surety Release Requested	BOND CALCULATION TYPE: Partial Bond	BOND AMOUNT: \$16,134.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: September 10, 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>N</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</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>N</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>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 by Brock Bowles of the Division of Reclamation, Mining and Safety (Division). Rick Squire, representing Viscount Colorado Holdings (Operator), was present for the inspection. The Kate Project is a prospecting permit located approximately 1/2 mile northwest of Silver Cliff, Colorado. This inspection was conducted in response to a final performance and financial warranties release request (SL-1) filed by the Operator on August 6, 2019. At the time of the inspection it was warm, clear and the ground was dry.

The prospecting consisted of 10 drill holes. Abandonment reports were submitted for each drill hole with the release application. The boreholes were filled with bentonite from bottom of the hole to 20 feet below the surface. The remaining 20 feet to the surface was then filled with concrete.

Each of the 10 drill holes were located and inspected. The casings were cut below the soil surface and the concrete plugs were level with the soil surface. The soil was graded around each drill site to blend in with the surrounding landscape. Grasses and forbs were growing on the backfilled areas and were consistent with the surrounding plant community.

Drill hole P17002 needs additional work. The casing needs to be cut below the surface and filled with concrete. The operator shall submit photo documentation showing that the casing was cut below the surface and filled with concrete within 30 days of the inspection for the issue to be considered resolved. If the bore hole is not repaired by September 26, 2019, the surety release application will be denied.

Drill holes P17004 and P17007 were located in the permit boundary of the Silver Cliff Pit, M-2011-015. The approximate locations of the two drill holes were explored but the actual holes were not located due to the mining activity. Mr. Kent Beach, Silver Cliff Pit operator, said he was not concerned about the two drill holes within his permit boundary.

PHOTOGRAPHS



Bore hole P17006, typical reclamation



Drill hole P17002



Drill hole P17001

Inspection Contact Address

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