

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: White Banks Mine	MINE/PROSPECTING ID#: M-1999-042	MINERAL: Anhydrite, gypsum, r quartz (quartzite/quar sandstone)	
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Multi Person Inspection	Stephanie Mitchell	October 22, 2019	10:30
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Avalanche Creek Marble & Alabaster LLC		110c - Construction Limited Impact	

REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:
Other Agency Request		Complete Bond	\$41,927.00
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:
NA		U.S.Forest Service	None
WEATHER:	INSPE	CTOR'S SIGNATURE:	SIGNATURE DATE:
Clear			November 15, 2019
	SMA HTMORD		
	U	Overland	

The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.

INSPECTION TOPIC: Availability Of Records

PROBLEM/POSSIBLE VIOLATION: Problem: This is a possible violation at this time pursuant to: 34-32.5-124(1) for Failure to comply with the conditions of an order, permit or regulation. The legal right of entry was lost in a civil matter involving the White River National Forest.

CORRECTIVE ACTIONS: The Operator is encouraged work on a Succession Of Operators process with Snowmass Mining Company and the Division to ensure a smooth process of transferring the permit. If the Division does not receive the Successor of Operators paperwork by December 16, 2019, failure for maintaining legal right of entry will be pursued at a formal public hearing at the Mined Land Reclamation Board Meeting on January 22, 2020. This possible violation will require a hearing before the Mined Land Reclamation Board. The schedule and other details for the MLRB hearing will be provided under a separate document to be sent via certified mail to the operator.

CORRECTIVE ACTION DUE DATE: 12/16/19

OBSERVATIONS

This inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. A representative for the operator was not present. Photographs are included with this report in order to illustrate some of the conditions observed. Oliva Garcia with the White River National Forest accompanied me on the inspection.

The White Banks Mine is located approximately ten miles south of Carbondale and accessed from Avalanche Creek Road (FR 310). The site is a 110c operation that includes a total of 3.5 permitted acres. The Division currently holds a financial warranty amount of \$41,927.00 for this site. The Division has reviewed the reclamation costs, in order to ensure the financial warranty reflects the actual current cost of fulfilling the requirements of the Reclamation Plan, and determined that the current financial warranty amount is adequate.

The affected area was marked by posts and fencing that were clearly visible and adequate to delineate the affected area boundary.

Topsoil is stockpiled as a berm near the portal.

The site has been in temporary cessation since 2013. No evidence of any recent mining activity was noted during this inspection. The portal was securely locked. A stack of timbers, pipes and other various equipment were noted outside the portal. The mine building appears in stable condition. Several pieces of mining equipment are kept in the storage area on the east side of the building. At this time the personal equipment, mining equipment and miscellaneous items are being stored on the mine site without permission from the USFS. The Division encourages working with the USFS to remove items by their deadline of November 20, 2019.

At this time, the Operator has failed to maintain legal right of entry to the mine site. This is a possible violation at this time pursuant to: 34-32.5-124(1) for Failure to comply with the conditions of an order, permit or regulation. A civil matter between the Operator and Snowmass Mining Company resulting in the Operator losing his plan of operations with the White River National Forest. It is strongly encouraged for the Operator to work with Snowmass Mining Company to successfully transfer the permit. If a Succession of Operators transfer can not be submitted by December 16, 2019, this matter will be presented to the Mined Land Reclamation Board on January 22, 2020 for failure to maintain legal right of entry, and a permit revocation and financial warranty forfeiture process will be pursued.

Responses to this inspection report should be directed to Stephanie Mitchell at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 South 3rd Street, Room 301, Grand Junction, Colorado 81501, phone number (303)866-3567 ext 8180.

PERMIT #: M-1999-042 INSPECTOR'S INITIALS: SJM INSPECTION DATE: October 22, 2019

PHOTOGRAPHS









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GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(AR) RECORDS <u>PB</u>	(FN) FINANCIAL WARRANTY Y	(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 <u>N</u>	(SF) PROCESSING FACILITIES <u>N</u>	(TS) TOPSOIL <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE Y	(RV) REVEGETATION N
(SM) SIGNS AND MARKERS Y	(SP) STORM WATER MGT PLAN <u>N</u>	(RS) RECL PLAN/COMP Y
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION Y	(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

Inspection Contact Address

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CC: Oliva Garcia, USFS Snowmass Mining Company