




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: Topaz Mine	MINE/PROSPECTING ID#: M-1980-055-HR	MINERAL: Uranium and vanadium	COUNTY: San Miguel
INSPECTION TYPE: Monitoring	INSPECTOR(S): Lucas West	INSP. DATE: February 11, 2020	INSP. TIME: 12:30
OPERATOR: Pinon Ridge Mining LLC	OPERATOR REPRESENTATIVE: Michael Rutter	TYPE OF OPERATION: 112d-3 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$99,893.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: February 26, 2020	

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>Y</u>	(BG) BACKFILL & GRADING----- <u>N</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>Y</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(ST) STIPULATIONS----- <u>Y</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 in response to the Operator's written notification that construction of the Lined Ore Pads was taking place at the adjacent mine sites. Also, this inspection serves as the monitoring inspection to verify site conditions prior to the upcoming enforcement hearing. A Notice of Hearing document was sent to the Operator on February 4, 2020. The Topaz mine is a 112d-3 operation that is currently in Temporary Cessation, the first term of Temporary Cessation was effective as of April 19, 2015 and expires on April 19, 2020. The site is a part of a five site permitted complex collectively referred to as the Sunday Mine Complex. The site consists of and consists 1,674.6 Permitted Acres and a maximum allowed disturbance of 30 acres. The Division currently holds \$99,893.00 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 and Laura Hartman of the Bureau of Land Management were present during the inspection. Four Photos accompany this report to illustrate the current conditions of the site.

As seen in Photo One, the permit ID sign was observed near the entrance to the site. The permit boundary markers were also observed. Evidence that the diversion ditches and storm water control devices are functioning as designed was noted and no significant erosion was observed throughout the site. Maintenance of the storm water control structures has been completed and all structures were in good condition at the time of the inspection.

The shop facility located on site has been repaired, has had power restored and is in good working order. No damage or signs of vandalism was noted during the inspection. The portal located on site was also secured, it has been closed off with steel grates as well as encompassed by a small berm as seen in Photo Two. Some mining related equipment including vent tubing and steel scaffolding is being stored on site. The items that are stored are in a neat and orderly fashion and not considered a problem at this time. 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 main pad and work area was in good condition as seen in Photos Three and Four, evidence of weed management during the growing season was observed. Some areas around the perimeter of the pad area have begun to revegetate themselves with volunteer species. The whole site exhibits positive drainage and no erosional issues were observed 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 (303) 866-3567 Ext. 8187 or by email at lucas.west@state.co.us

PHOTOGRAPHS





Photo Three: View northwest, showing the shop facility as well as a portion of the main pad. Both facilities are in good working order.



Photo Four: View northeast showing another view of the main pad complete with an MSHA compliant safety berm along the shoulder of the out-slope.

Inspection Contact Address

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Enclosure

CC: James Blair, Bureau of Land Management
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Russ Means, Active Mines Program Director (Minerals)
Jeff Fugate, DRMS Minerals AGO Counsel