

April 10, 2020

James Stover J.E. Stover and Associates 2352 North 7th Street, Unit B Grand Junction, CO 81501

RE: McClane Canyon Mine, C-1980-004 1st Quarter 2020 Pond Inspection Report and 2020 Yearly Impoundment Inspection Report

Dear Mr. Stover,

The Colorado Division of Reclamation, Mining and Safety (the Division) has received and reviewed the 1st Quarter 2020 Pond Inspection Report and 2020 Yearly Impoundment Inspection Report for the McClane Canyon Mine. The report was received on April 8, 2020. The Division has the following comments:

<u>1st</u> Quarter Pond Inspection Report

4.05.9(17) – All Impoundments are inspected quarterly, by a qualified person designated by the operator, for the appearance of structural weakness and other hazardous conditions. The reports are retained at the office of J.E. Stover and Associates in Grand Junction, CO, and copies of the reports are submitted to the Division on a quarterly basis.

The inspection of the pond was conducted by Jim Stover on March 14, 2020. The report indicates that there were no issues. The field inspections by the Division reflect the information in the report.

Impoundment Yearly Inspection Report

4.05.9(14) – All Impoundments were inspected by a qualified registered professional engineer or other qualified professional specialist under the direction of a professional engineer. The professional engineer or specialist shall be experienced in the construction of impoundments. The yearly inspection of the impoundment at the McClane Canyon Mine was conducted by James Stover of J.E. Stover and Associates. James Stover is a registered professional engineer in the state of Colorado. The impoundment is inspected annually as required by Rule 4.05.9(14)(a).



Mr. Stover provided the Division with a copy of a certified report that the impoundment has been maintained as designed, and in accordance with the approved plan and in accordance with regulations (4.05.9(14)(b). A copy of the Yearly Impoundment Inspection Report is kept at the office of J.E. Stover and Associates in Grand Junction, CO, as required by Rule 4.05.9(14)(c).

4.05.9(15) – The certified inspection report as required by Rule 4.05.9(14) included a discussion of; any appearance of erosion, instability, structural weakness or other hazardous conditions; existing and required monitoring procedures and instrumentation; the depth and elevation of any impounded waters at the time of the certified report; the existing storage capacity of the impoundment; and any other aspects of the structure affecting, stability, or requiring maintenance.

This concludes the Division's review of the 1st Quarter 2020 Pond inspection Report and Yearly Impoundment Inspection Report for the McClane Canyon Mine. If you have any questions, please contact me at (303)-866-3567 x8144 or at clayton.wein@state.co.us.

Sincerely,

Clayton Wein

Clayton Wein Environmental Protection Specialist