

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: | MINE/PROSPECTING ID#: | MINERAL: | COUNTY: |
|-------------------------------|---------------------------------|-----------------------------------|-------------|
| Apex Lode | M-2014-011 | Zinc and silver | Garfield |
| INSPECTION TYPE: | INSPECTOR(S): | INSP. DATE: | INSP. TIME: |
| Monitoring | Amy Yeldell | July 17, 2020 | 09:00 |
| OPERATOR: | OPERATOR REPRESENTATIVE: | TYPE OF OPERATION: | |
| Strong Mining Company | Ed Tacker | 110(1) - Hard Rock Limited Impact | |
| REASON FOR INSPECTION: | BOND CALCULATION TYPE: | BOND AMOUNT: | |
| Surety Related | Complete Bond | \$34,308.00 | |
| DATE OF COMPLAINT: | POST INSP. CONTACTS: | JOINT INSP. AGENCY: | |
| NA | DRMS | None | |
| WEATHER: | INSPECTOR'S SIGNATURE: | SIGNATURE DATE: | |
| Clear | Amy Geldell | July 21, 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 Y | (RD) ROADS <u>Y</u> |
|--|--|---------------------------|
| (HB) HYDROLOGIC BALANCE <u>Y</u> | (BG) BACKFILL & GRADING <u>Y</u> | (EX) EXPLOSIVES <u>NA</u> |
| (PW) PROCESSING WASTE/TAILING <u>N</u> | (SF) PROCESSING FACILITIES \underline{Y} | (TS) TOPSOIL <u>NA</u> |
| (MP) GENL MINE PLAN COMPLIANCE- <u>Y</u> | (FW) FISH & WILDLIFE <u>Y</u> | (RV) REVEGETATION Y |
| (SM) SIGNS AND MARKERS Y | (SP) STORM WATER MGT PLAN <u>N</u> | (RS) RECL PLAN/COMP N |
| (ES) OVERBURDEN/DEV. WASTE <u>NA</u> | (SC) EROSION/SEDIMENTATION \underline{Y} | (ST) STIPULATIONS Y |
| (AT) ACID OR TOXIC MATERIALS <u>NA</u> | (OD) OFF-SITE DAMAGE <u>N</u> | |

Y = Inspected / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

This inspection was conducted by the Colorado Division of Reclamation, Mining and Safety (Division) in response the Technical Revision (TR-3) Request submitted on June 23, 2020. This revision clarified the reclamation plan details and coincides with the USFS plan approval.

The Apex Lode is a 110(1) permitted site that includes a total of 3 acres on US Forest Service land. This site is located 5 miles north of Glenwood Springs, CO and is accessed from Transfer Trail (Forest Service Rd 602). Ed Tacker represented Strong Mining Company and accompanied Amy Yeldell of the Division on the inspection.

ATV's were utilized to access the site. Portions of the Transfer Trail were rough and it took approximately forty-five minutes to access the site from the trail head. Significant tree blow down has occurred near the entrance to the mine site. USFS was actively cutting to clear/maintain trail during the time of the inspection. This difficult mobilization has been taken into account in the Reclamation Cost Estimate. Additionally only small equipment or 4x4 roadable equipment will be utilized.

The mine identification sign and affected area boundary markers are in place and in compliance with Rule 3.1.12. The permit boundary was delineated with t-posts that had been painted red to be highly visible.

The access road to the mine site is largely overgrown with native vegetation due to limited use. Overall cover of the access road is near 90%. Vegetation around the cabin area is in similar condition. A few select spots have decreased cover otherwise the majority of the area is overgrown and blends naturally with undisturbed areas. The trail to the portals and staging area have slightly less vegetation, approximately 80% cover. Furthermore the portals are located on a steep rocky slope where native areas have relatively low vegetation densities compared to the flat areas. In general only minimal spot seeding would be necessary. However the site will likely be disturbed more during final reclamation (portal closures and cabin removal). Based on the information provided in TR-3 approximately one acre will need to be revegetated.

The majority of infrastructure on site is native timber that will need to be loped and scattered. According to the USFS all non-native materials will need to be disposed of off-site. This is primarily the content within the cabin along with its windows and roof.

There are two portals located to the southeast of the cabins. There are timbers on the flat staging area between the two portals. To access the lower portal one walks across a wooden boardwalk since the slope of the hill is quite steep. This boardwalk will be removed upon final reclamation (phase 1). The adit itself has several wood timbers to protect it from rock falling from the hillside above. This structure will be removed if PUF closure is used. If a grate is placed the USFS will likely want the structure to remain to grant future access if need be. The upper portal was not inspected at this time. The Operator has elected a PUF closure of what remains of this opening. Furthermore the 2" rail tracks are to be removed from site. No railroad ties were observed.

The Division currently requires a financial warranty amount of \$34,308 for this site. In an effort to ensure the Financial Warranty adequately, reflects the actual current cost of fulfilling the requirements of the approved reclamation plan the Division will be updating the reclamation cost estimate. If the current bond is found to be insufficient the Division will send a Notice of Surety Increase under a separate cover.

Responses to this inspection report should be directed to: Amy Yeldell at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 303-866-3567 Ext 8183 or via email at amy.yeldell@state.co.us

Inspection Contact Address

George Strong Strong Mining Company 1505 East 12th Street Rifle, CO 81650

Enclosure

CC: Travis Marshall, Senior EPS, Grand Junction DRMS

Olivia Garcia, Forest Service 900 Grand Ave Glenwood Springs, CO 81601

PHOTOGRAPHS





PERMIT #: M-2014-011 INSPECTOR'S INITIALS: ACY INSPECTION DATE: July 17, 2020



