




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: Incas Mine	MINE/PROSPECTING ID#: M-1986-076	MINERAL: Gold and silver	COUNTY: La Plata
INSPECTION TYPE: Monitoring	INSPECTOR(S): Lucas West	INSP. DATE: November 5, 2020	INSP. TIME: 11:15
OPERATOR: Michael McClure	OPERATOR REPRESENTATIVE: None	TYPE OF OPERATION: 110d - Designated Limited Impact	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$29,902.68	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: December 2, 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>N</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(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>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>Y</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>Y</u>	

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

OBSERVATIONS

This inspection was conducted as part of the normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety's Active Mines Program. It also serves as the inspection associated with the Operator's request for the permit to enter a second consecutive five (5) year term of Temporary Cessation. The Incas Mine is a 110(d) operation that is currently in its first five (5) year term of Temporary Cessation. The site consists of 9.9 permitted acres and is located approximately 10 miles northwest of Durango at 10,800 feet in elevation. Access to the site is controlled by a locked gate along the access road, as well as the gate to the May Day Idaho Mine Complex as well. The Division currently holds \$29,902.68 in financial warranty for the site. A reclamation cost estimate was performed at this time. Staff calculations found the currently held Financial Warranty is adequate to complete reclamation of the site in accordance with the approved Reclamation Plan. Four Photos accompany this report to illustrate the current site conditions.

The site was not active during the inspection and no Operator representative was present at the time of the inspection. The site is in similar condition to the previous inspections conducted by the Division. A faded Mine Identification Sign was posted at the entrance to the site. The facilities on site consist of a small storage shed and mill building. The mill building is in good condition, however the storage shed has suffered damage to the door. The shed and mill facility can be seen in Photo One. The various pieces of equipment, scrap metal and other mining related debris on site were observed and in similar condition as the Division's previous inspection. Those items are fairly centrally located near the storage shed and can be seen in Photo Two.

The previous mining operations utilized several portals at various levels throughout the site to gain access to the underground workings. All portals have been backfilled, are secure and appeared stable at the time of the inspection. No signs of settling, slumping or erosion of the earthen backfill material was noted. The various levels can be seen in Photo Three and an example of the earthen backfill used to secure the portals can be seen in Photo Four. The main excavation area remains to be reclaimed, however the slopes and piles associated with the main area appeared stable at the time of the inspection and in good condition. Several areas throughout the site have revegetated themselves with volunteer species. The vegetative cover in this area is somewhat sparse but is to be expected given the aspect and elevation. No State listed noxious weeds were observed during the inspection.

The overall footprint of the site was in good condition, no signs of significant erosion, settling or slumping was noted. 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.

Inspection Contact Address

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PHOTOGRAPHS



Photo One: View north, showing the mill building and storage shed located on site. Both buildings are in good condition and showed no signs of vandalism or attempted unauthorized entry.



Photo Two: View northeast, showing the various mining relate equipment and debris stored on site near the storage shed. The various items are in similar condition as the Division's previous inspection.

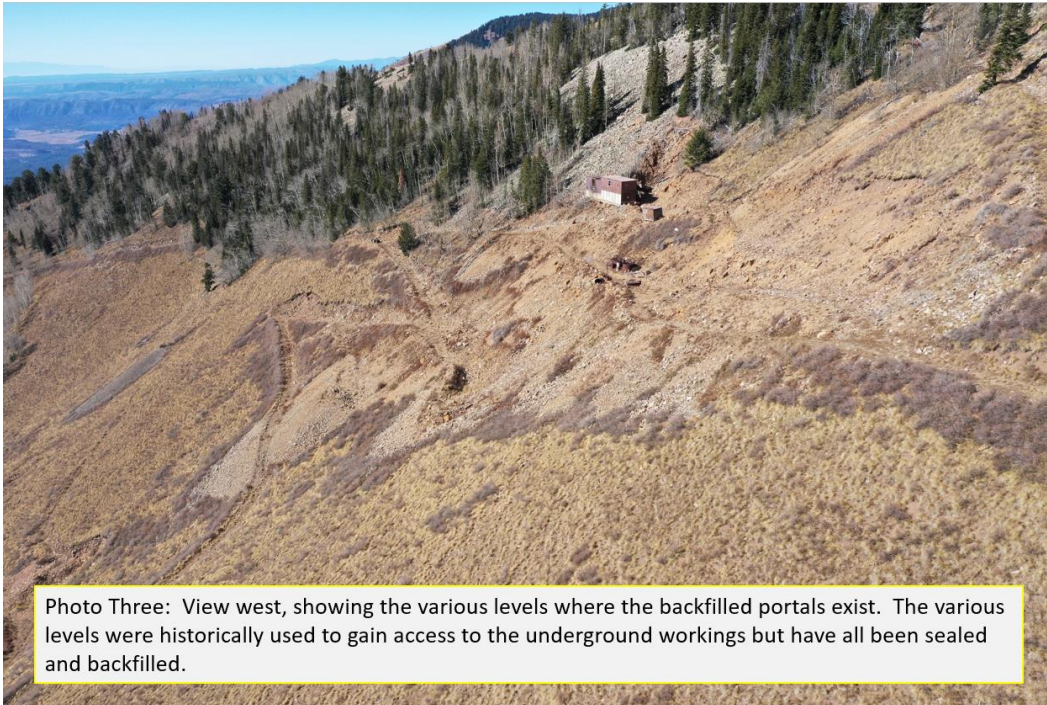


Photo Three: View west, showing the various levels where the backfilled portals exist. The various levels were historically used to gain access to the underground workings but have all been sealed and backfilled.

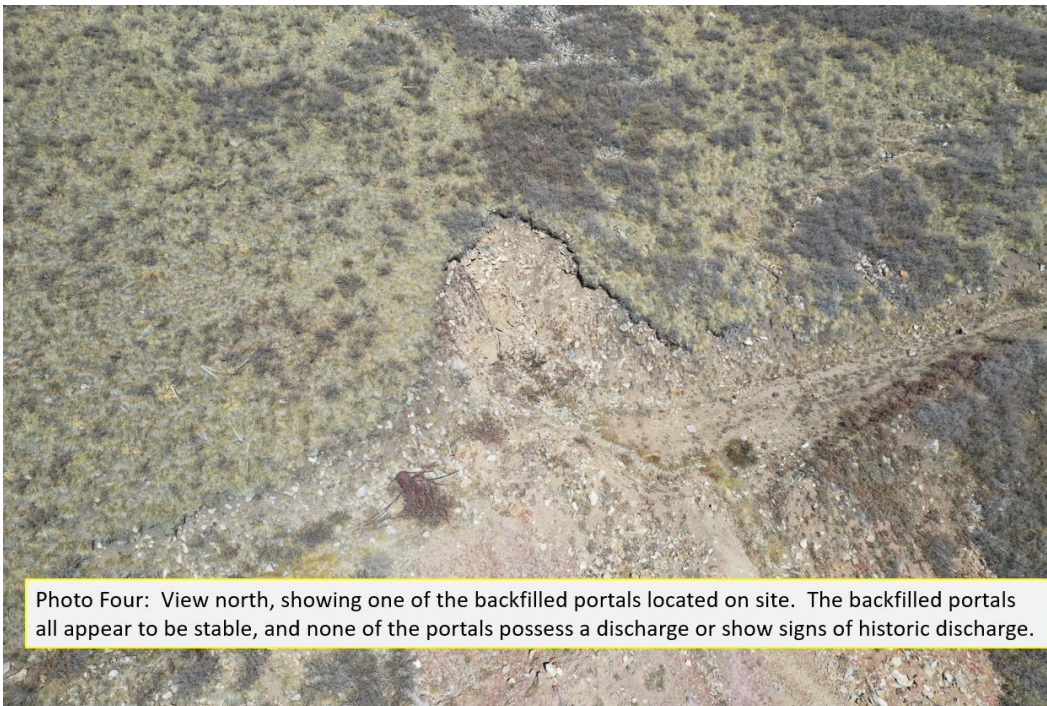


Photo Four: View north, showing one of the backfilled portals located on site. The backfilled portals all appear to be stable, and none of the portals possess a discharge or show signs of historic discharge.