

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:		
Hansen Uranium Project	P-2009-025	Uranium	Fremont		
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:		
Monitoring	Timothy Cazier	August 25, 2020	10:00		
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERA	TION:		
Black Range Minerals Colorado, LLC	Mike Rutter	MP - Mineral Prospecting			
REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:			
Normal I&E Program	Complete Bond	\$154,936.58			
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. A	GENCY:		
NA	None	U.S.BLM			
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:			
Clear	Thims US-	March 5, 2021			

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 Y	(EX) EXPLOSIVES <u>NA</u>
(PW) PROCESSING WASTE/TAILING Y	(SF) PROCESSING FACILITIES Y	(TS) TOPSOIL <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE <u>Y</u>	(RV) REVEGETATION Y
(SM) SIGNS AND MARKERS <u>NA</u>	(SP) STORM WATER MGT PLAN Y	(RS) RECL PLAN/COMP Y
(ES) OVERBURDEN/DEV. WASTE <u>Y</u>	(SC) EROSION/SEDIMENTATION \underline{Y}	(ST) STIPULATIONS Y
(AT) ACID OR TOXIC MATERIALS Y	(OD) OFF-SITE DAMAGE <u>NA</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 Tim Cazier (DRMS) as part of the regular monitoring program to assess compliance with the approved Notice of Intent (NOI) prospecting permit. Mr. Mark Rutter was present for the inspection, representing the Prospector (Black Range Minerals). Ms. Stephanie Carter was also present, representing the Bureau of Land Management (BLM). The Hansen Project site is accessed from Fremont Co Rd 21 and is located approximately 10 miles off Hwy 9 from the intersection with Fremont County Road 2. This is uranium prospecting operation. It was not active at the time of the inspection.

<u>Availability of Records</u>: Annual fees are paid through October 2020. The previous inspection was on June 14, 2018. There are no open infractions. The surface and minerals are a mix of both privately owned and federally managed lands.

<u>Backfilling and Grading</u>: As observed during the June 14, 2018 inspection, all necessary grading has been completed.

Excess Spoil and Dev. Waste: No drill cuttings were observed.

<u>Financial Warranty:</u> The \$154,936.58 bond held by the Division is more than adequate for the observed disturbance. The DRMS recommends a surety reduction be requested, or if it can be demonstrated other final reclamation deficiencies identified in this report have been addressed a surety release should be requested.

Fish and Wildlife: No impact to wildlife was observed.

<u>Hydrologic Balance</u>: The DRMS has received final abandonment reports for all eleven HNND boreholes/wells drilled in 2011. No abandonment reports have been received for the five MW-27 series (290 through 294) holes drilled in 2014. **Attachment A** provides a summary of the reclamation status for each of these 16 wells. A PVC casing extending a few inches above the ground was observed approximately 160 north of HNDD0009 (see **Photo 1**, Lat. 38° 32.376'N; Long. 105° 32.166'W - based on data collected with a hand held Trimble Juno 3B GPS unit). A review of DRMS records indicates no known boring in this location. As the construction differs from other project borings, the DRMS does not consider this hole to be part of the NOI. Mr. Rutter agreed to put a PVC cap on this casing.

<u>Gen. Compliance with Mine Plan</u>: The project appeared to be in compliance with the approved NOI. Site observations indicate with some minor effort noted elsewhere in this report, Black Range could request final release of reclamation liability.

<u>Roads</u>: With the exception of best management practices (BMPs) needed just north of the where the drill road to HNDD0010 crests the hill to prevent future erosion, drill roads appeared to be adequately reclaimed (see **Photos 2** and **3**) and did not appear to be a source of sediment. DRMS recommended installing a water bar/bar ditch north of the HNDD0010 drill road crest to prevent runoff from following the drill road down to the final switchback to the drill site. Mr. Rutter and Ms. Carter concurred with this approach.

<u>Right of Entry:</u> Site HNDD0010 is the only one on lands managed by the Bureau of Land Management. Ms. Carter stated the BLM NOI was current at the time of the inspection.

<u>Reclamation Success</u>: The DRMS considers reclamation to be complete with the following exceptions needing minor attention:

- 1. The aforementioned water bar install on the HNDD0010 drill road,
- 2. A small amount of Canada thistle observed near the HNDD0010 drill site (see **Photo 4**) needs to be treated,

3. Straw wattles (see **Photo 5**) and rebar stakes were observed on the perimeter of the HNDD0006 drill site that need to be removed.

Based on site observations and review of DRMS records, the following sites were considered releasable at the time of the inspection: HNDD0001, -0002, -0003, 0004, -0005, -0007, -0009, and -0011. Minor issues with HNDD006 and -0010 are discussed above. A review of DRMS records indicates the HNDD0008 site has never been inspected. <u>Please be aware the wood stakes and T-posts marking borehole/well locations need to remain in place until the DRMS approves final reclamation liability release</u>.

<u>Revegetation</u>: Vegetation appears to be well established at all drill sites (see **Photos 6** and **7**). The only noxious weeds observed were the small number of Canada thistles near HNDD0010.

<u>Sediment Control</u>: Other than the aforementioned HNDD0010 drill road problem, no erosion problems were observed.

<u>Permit Stipulations:</u> The NOI requires contents and cover of the backfilled mud pits be sampled for radionuclides. DRMS records indicate all mud pits were sampled and analyzed by a laboratory demonstrating compliance with the limiting criteria outlined in the June 14, 2018 inspection report.

Storm Water MGT Plan: No oil or fuel spills observed.

<u>Topsoil:</u> As observed during the June 14, 2018 inspection, all salvaged topsoil was observed to have been replaced.

Please contact Tim Cazier (303)866-3567 ext. 8169 or email at <u>tim.cazier@state.co.us</u> if you have any questions regarding this report.



PHOTOGRAPHS

Photo 1. PVC casing observed approximately 160 north of HNDD0009.

PHOTOGRAPHS (cont.)



Photo 2. Reclaimed drill site and road – HNDD0010 (looking NE).



Photo 3. Reclaimed drill site and road – HNDD0009 (looking south).

PHOTOGRAPHS (cont.)



Photo 4. Canada thistle near HNDD0010 (looking NW).



Photo 5. Straw wattles remaining at HNDD0006.

PHOTOGRAPHS (cont.)



Photo 6. Revegetated HNDD0006 drill site (looking SE, hole marker circled).



Photo 7. Revegetated HNDD0007 drill site (looking north, hole marker circled).

Inspection Contact Address

Mike Rutter Black Range Minerals Colorado, LLC PO Box 98 Nucla, CO 81424

Enclosure - Attachment A – Summary of the reclamation status for each of the 16 wells

ec: DRMS file Stephanie Carter, BLM

Permit No.	P-2009-025
Site Name:	Hansen Uranium Project
Prospector:	Black Range Minerals
County:	Fremont
Specialist:	T. Cazier

Bore Hole ID	Date Drilled	Conversion	Date of	Date			Date	Last Date	Date	Comments
		to:	Conv.	Permanently Abandoned	Permanent Abandonment	Method Of Reclaiming Drill Site Disturbance	Permanent Abandonment Final Report	Inspected	Deemed Releasable	
	F /0 /0014			E /17 /2011			Rec'd:		0 /05 /2020	
HNDD0001	5/2/2011	Not Applicable	n/a	5/17/2011	Sealed Hole	grading 80'×30' drill pad w/ 5'×10'×10'D	10/12/2012	8/25/2020	8/25/2020	
HNDD0002	5/22/2011	Not Applicable	n/a	6/10/2011	Sealed Hole	mudpits & seeding grading 80'x30' drill pad w/ 5'x10'x10'D	10/12/2012	8/25/2020	8/25/2020	
			0011	((00 (00)))		mudpits & seeding		0.107.10000	0.405.400.00	
HNDD0003	6/16/2011	VWP-2*	ca 2011	6/28/2011	Sealed Hole	grading 80'x30' drill pad w/ 5'x10'x10'D mudpits & seeding	10/12/2012	8/25/2020	8/25/2020	
HNDD0004	6/29/2011	Not Applicable	n/a	7/15/2011	Sealed Hole	grading 80'×30' drill pad w/ 5'×10'×10'D mudpits & seeding	10/12/2012	8/25/2020	8/25/2020	
HNDD0005	7/21/2011	VWP-3*	ca 2011	8/4/2011	Sealed Hole	grading 80'×30' drill pad w/ 5'×10'×10'D mudpits & seeding	10/12/2012	8/25/2020	8/25/2020	

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		to:	Conv.	Permanently			Permanent	Inspected	Deemed	
				Abandoned	Permanent	Method Of	Abandonment		Releasable	
						Reclaiming Drill	Final Report			
					Abandonment	Site Disturbance	Rec'd:			
HNDD0006	8/10/2011	VWP-3*	ca 2011	8/18/2011	Sealed Hole	grading 80'x30'	10/12/2012	8/25/2020		8/25/20: Wattle
						drill pad w/				remnants & rebar
						5'x10'x10'D				remain
						mudpits & seeding				
HNDD0007	8/25/2011	VWP-3*	ca 2011	9/2/2011	Sealed Hole	grading 80'x30'	10/12/2012	8/25/2020	8/25/2020	
						drill pad w/				
						5'x10'x10'D				
						mudpits & seeding				
HNDD0008	9/9/2011	Not	n/a	9/17/2011	Sealed Hole	grading 80'x30'	10/12/2012			Never inspected
		Applicable				drill pad w/				
						5'x10'x10'D				
						mudpits & seeding				
HNDD0009	9/19/2011	VWP-2*	ca 2011	10/1/2001	Sealed Hole	grading 80'x30'	10/12/2012	8/25/2020	8/25/2020	
						drill pad w/				
						5'x10'x10'D				
						mudpits & seeding				
HNDD0010	10/2/2011	Not	n/a	10/4/2011	Sealed Hole	grading 80'x30'	10/12/2012	8/25/2020		8/25/20: Needs
		Applicable				drill pad w/				thistle treatment
						5'x10'x10'D				
						mudpits & seeding				

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		to:	Conv.	Permanently Abandoned	Permanent Abandonment	Method Of Reclaiming Drill Site Disturbance	Permanent Abandonment Final Report Rec'd:	Inspected	Deemed Releasable	
HNDD0011	10/4/2011	VWP-2*	ca 2011	10/7/2011	Sealed Hole	grading 80'×30' drill pad w/ 5'×10'×10'D mudpits & seeding	10/12/2012	8/25/2020	8/25/2020	
MWC-21-150	Unknown	Unknown	Unknown	TBD	Not Provided	Not Provided	TBD	9/15/2015		DRMS has no information other than field observations
MWC-27-287	Unknown	Unknown	Unknown	TBD	Not Provided	Not Provided	TBD	8/25/2020		DRMS has no information other than field observations
MWC-109	Unknown	Unknown	Unknown	TBD	Not Provided	Not Provided	TBD	8/25/2020		DRMS has no information other than field observations
MW-27-290	ca 2014 as MW	Unknown	Unknown	tbd	Not Provided	Not Provided	TBD	8/25/2020		Need final abandonment reports
MW-27-291	ca 2014 as MW	Unknown	Unknown	tbd	Not Provided	Not Provided	TBD	8/25/2020		Need final abandonment reports
MW-27-292	ca 2014 as MW	Unknown	Unknown	tbd	Not Provided	Not Provided	TBD	8/25/2020		Need final abandonment reports

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		to:	Conv.	Permanently			Permanent	Inspected	Deemed	
				Abandoned	Permanent	Method Of Reclaiming Drill	Abandonment		Releasable	
						2	Final Report			
					Abandonment	Site Disturbance	Rec'd:			
MW-27-293	ca 2014 as	Unknown	Unknown	tbd	Not Provided	Not Provided	TBD	8/25/2020		Need final
	MW									abandonment reports
MW-27-294	ca 2014 as	Unknown	Unknown	tbd	Not Provided	Not Provided	TBD	8/25/2020		Need final
	MW									abandonment reports

LEGEND: * VWP = vibrating wire piezometer, followed by # of wires installed.