




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: Von Doose Mine	MINE/PROSPECTING ID#: M-2019-031	MINERAL: Silver	COUNTY: Ouray
INSPECTION TYPE: Monitoring	INSPECTOR(S): Lucas West	INSP. DATE: August 23, 2021	INSP. TIME: 09:30
OPERATOR: Atlas Mining & Reclamation, LLC	OPERATOR REPRESENTATIVE: Eli Doose	TYPE OF OPERATION: 110(1) - Hard Rock Limited Impact	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Partial Bond	BOND AMOUNT: \$37,319.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: September 8, 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>N</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>Y</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>Y</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>Y</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. The Von Doose Mine is an active 110(1) Limited Impact Hard Rock Mine that consists of 4.66 acres of disturbed lands to support an underground mining operation in pursuit of Silver. The site is located on Private Patented Claims up Corkscrew Gulch in Ouray County at 10,810 feet in elevation. Public access is controlled by a locked gate. The Division currently holds a Financial Warranty in the amount of \$37,319.00. Division Staff conducted a Reclamation Cost Estimate update and found that the currently held Financial Warranty is sufficient to achieve reclamation of the site in accordance with the approved Reclamation Plan. Eight Photos accompany this report to illustrate the current site conditions.

The site was not active at the time of the inspection, as the Operator is conducting mining operations unaccompanied and was participating in the inspection. Proper mine identification signage and permit boundary markers were observed on site seen in Photo One. The access road leading from the county road to the permit area are in excellent condition and well maintained. No erosion or sedimentation of the access road was noted. The mining operations are confined to the portal area and waste rock dump with a small pad constructed as a lay down and storage yard utilized to support the operation. The lay down yard has been constructed nearly exactly as the permit application materials had depicted, though is slightly smaller at this time leaving room for future expansion. The lay down yard can be seen in Photos Two and Three. Materials stored on the lay down yard included various construction supplies, small equipment used in the mining operations along with explosives and primer magazines. All materials stored on the pad are neat, orderly and in good working order. The explosives magazines contain explosive materials and were verified to be secure at the time of the inspection. The access road leading from the lay down yard to the main portal and waste rock dump is also in excellent condition and well maintained.

The main portal area can be seen in Photos Four and Five. The area consists of a portal pad and work area as well as the portal providing access to the underground drift. The pad and work area has been graded to create positive drainage and no impounded surface water was identified. The portal is dry and does not discharge, leaving the work area dry and accessible. Materials stored on the pad area is neat, orderly and in good condition. The portal has been secured with rock bolts and steel sets, no evidence of settling, slumping or instability was noted. The area above the portal including upland diversions for storm water were also in excellent working order. Adjacent to the portal area is the waste rock dump complete with rock catchment berms, storm water control structures and topsoil stockpile. The waste rock dump consist of large angular material that has been blasted as the underground drift advances and can be seen in Photo Six. All waste rock appears stable and is following the natural contours of the ground beneath it. The catchment berms are constructed earthen berms utilized to prevent dumped waste rock from leaving it's intended placement location. The berms appear to be functioning exactly how they were designed and can be seen in Photo Seven. The lowest catchment berm also serves as a storm water control structure leading to a sediment trap. The berm showed evidence of recent flow and the sediment trap contained minimal standing water, with evidence of recent containment. The catchment can be seen in Photo Eight.

The overall footprint of the site is in excellent condition and exact implementation of the approved mining plan. Throughout the site, all storm water management structures appeared to be functioning as designed and are in good condition. No evidence of settling, slumping or erosion was noted, and no State Listed

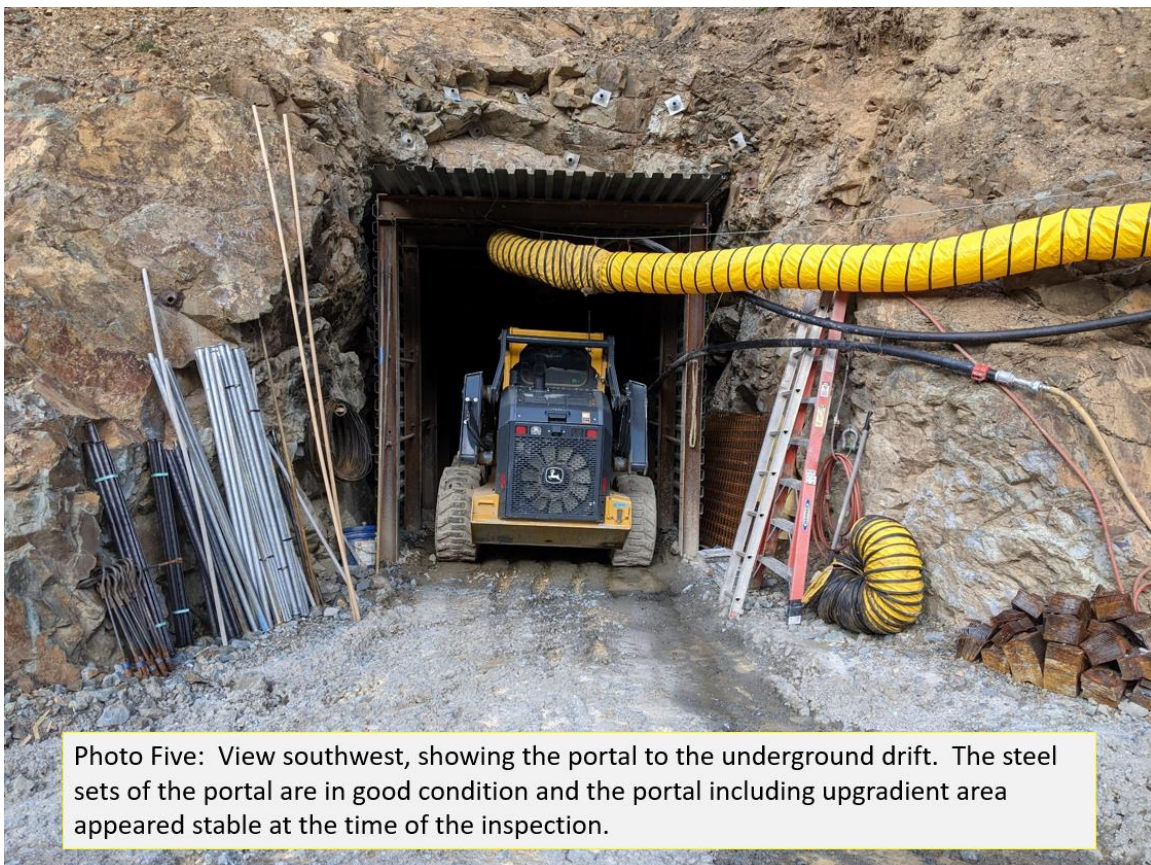
Noxious Weeds were observed. No problems or possible violations were noted. The Operator as done an excellent job managing the site unaccompanied. All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety at 1313 Sherman Street, Room 215, Denver, CO 80203, by phone at 303-866-3567 Ext. 8187 or by email at lucas.west@state.co.us.

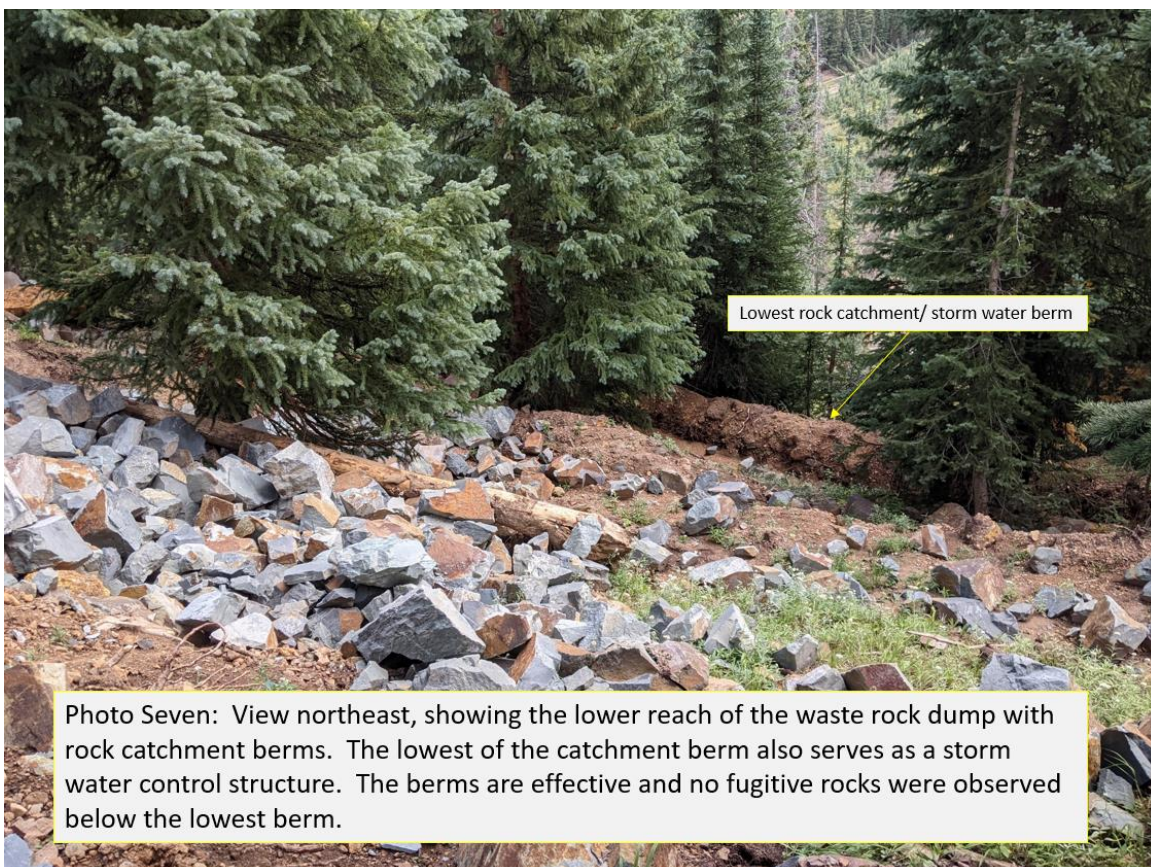
PHOTOGRAPHS



Photo One: Showing the proper Mine ID signage posted at the entrance to the site. Public access to the site is controlled by a series of locked gates along the access road.









Inspection Contact Address

Eli Doose
Atlas Mining & Reclamation, LLC
19911 Highway 550
Montrose, CO 81403

Enclosure

CC: Travis Marshall, Senior Environmental Protection Specialist