

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:	
Ruby Trust Mine		M-1979-181	Gold and silver	Ouray	
INSPECTION TYPE:		INSPECTOR(S):	INSP. DATE:	INSP. TIME:	
Monitoring		Lucas West	August 23, 2021	11:23	
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:		
Walker Ruby Mining Company, Inc.		Bob Larson	110(2) - Hard Rock Limited Impact		
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:		
Normal I&E Program		Complete Bond	\$18,738.00		
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:		
NA		None	None		
WEATHER:	INSPECTOR'S SIGNATURE:		SIGNATURE DATE:		
Clear	September 10, 2021				
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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 Y	(RD) ROADS <u>N</u>
(HB) HYDROLOGIC BALANCE <u>Y</u>	(BG) BACKFILL & GRADING <u>N</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 N	(RV) REVEGETATION <u>N</u>
(SM) SIGNS AND MARKERS Y	(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 \underline{Y}	(ST) STIPULATIONS <u>N</u>
(AT) ACID OR TOXIC MATERIALS <u>N</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 as part of the normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety's Minerals Program. The Ruby Trust Mine is an active 110(2) underground mine, the commodities being mined are gold and silver. The site currently consists of 2.0 permitted acres and is located approximately 6 miles west of Ouray, CO in Yankee Boy Basin. Public access to the site is controlled by a locked gate. Bob Larson the consultant representing the Operator was present during the inspection. The Division currently holds \$18,738.00 in Financial Warranty for the site. A reclamation cost estimate update was performed as a result of this inspection. Division staff found the currently held financial warranty is not sufficient to achieve reclamation of the site. Please see the enclosed Notice of Surety Increase for details. Seven Photos accompany this report to illustrate the site conditions.

The proper mine identification signage was posted at the entrance to the site. Mining activities were not occurring at the time of the inspection. Since the Division's previous inspection significant cleanup efforts have been taken on the site. All historic mining debris along Sneffles creek as well as miscellaneous items within the permit area have been removed. All remaining equipment is stored on the pad area in a neat and orderly fashion. The pad area as well as the stored equipment can be seen in Photos One and Two.

In addition to the cleanup efforts conducted on site, significant efforts to direct and control portal discharge and storm water has been taken. The site contains four separate portals two of which discharge. The discharge as well as storm water has traversed across the pad area and bifurcated, flowing to a rudimentary settling pond and directly to Sneffles Creek. The Decline portal discharge was observed, and has been directed through a flume to the settling pond prior to discharge. Water quality and flow monitoring has taken place the morning of the inspection. The discharge as well as the pond and flow path showed no signs of mineral staining or visual evidence of impaired water guality. The Decline Portal was secured, and can be seen in Photo Three and the settling pond can be seen in Photo Four. Two other sources of discharge water has been piped to the lower portal for monitoring and consolidation of discharge. One of the sources flows from the crosscut portal shown in Photo Five. The crosscut portal was secured and the discharge flows unimpeded through pipes to the lower portal. The other source of water flowing to the settling pond is from storm water flow that is generated adjacent to the Mill Portal as well as discharge from the Mill Portal itself. The Mill Portal, shown in Photo Six, was secure and in good condition. The conveyor equipment is in various states of disrepair but is not considered a problem at this time. Most of the discharge from the Mill Portal is captured in the pipe and conveyed to the Decline Tunnel flow, but some excess water was seen by passing the piping system. The storm water flow captured in the pipe can be seen in Photo Seven. As a result of the piping system installed, the pad and waste rock storage area is no longer saturated and is in excellent condition. No signs of settling, slumping or erosion was observed in this area. The fourth portal located on site is the Ruby Trust Portal. The Ruby Trust Portal is secure and was not discharging at the time of the inspection.

The rest of the site including main work areas and office/house structure located on site were in good condition at the time of the inspection. The site exhibits positive drainage and no signs of significant erosion were noted at the time of the inspection. No state listed noxious weeds were observed throughout the site. There are no problems or possible violations at this time. 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.

PERMIT #: M-1979-181 INSPECTOR'S INITIALS: LJW INSPECTION DATE: August 23, 2021

PHOTOGRAPHS



significant cleanup efforts. All pad areas and fringe areas of the permit boundaries have been cleaned up and are in excellent condition.









portal was also discharging and most of the water has been routed into the piping system.



Inspection Contact Address

Brian Walker Walker Ruby Mining Company, Inc. P.O. Box 85 Ouray, CO 81427

Enclosure: Notice of Surety Increase, SI-01

CC: Travis Marshall, Senior Environmental Protection Specialist