

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:
West Sunday		M-1981-021	Uranium and vanadiu	San Miguel
INSPECTION TYPE:		INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Multi Person Inspection		Lucas West	May 19, 2022	12:39
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Pinon Ridge Mining LLC		Michael Rutter	112d-3 - Designated Mining Operation	
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program		Complete Bond	\$85,036.00	
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:	
NA		None	None	
WEATHER:	INSPECTOR'S SIGNATURE:		SIGNATURE DATE:	
Clear	and have		June 10, 2022	

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 N	(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 N	(SF) PROCESSING FACILITIES \underline{N}	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- Y	(FW) FISH & WILDLIFE \underline{N}	(RV) REVEGETATION N
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN N	(RS) RECL PLAN/COMP N
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION \underline{Y}	(ST) STIPULATIONS \underline{Y}
(AT) ACID OR TOXIC MATERIALS N	(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

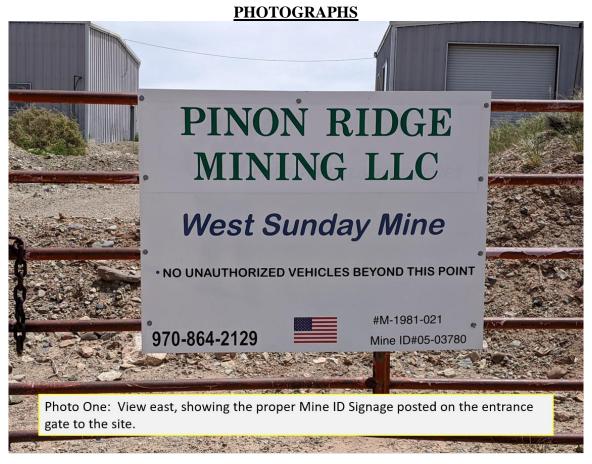
This inspection was conducted as part of the normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety's Active Mines Program as well as to conduct on site discussion between the James Blair of Bureau of Land Management (BLM), Michael Rutter the Operator representative, Bruce Smith of Western Water and Land the Operator's Consultant as well as representatives from Edge Environmental a third party consultant working on the Environmental Assessment required under the BLM's Plan of Operation application process. In addition Grant Glasier representing the Operator was present during the inspection. The West Sunday mine is a 112d-3 operation that is currently listed as Active however the site was not active at the time of the inspection. The site consists of a maximum allowed disturbance of 20 acres. Public access to the site is controlled by a locked gate along the access road. The Division currently holds \$85,036.00 in Financial Warranty for the site. A reclamation cost estimate update will be performed and any resulting increase in the required Financial Warranty Amount will be sent under a separate cover. Six Photos accompany this report to illustrate the current conditions of the site.

As seen in Photo One, the permit ID sign was observed at the entrance to the site. The permit boundary markers were also observed. The remote vent shaft sites were not inspected at this time. Evidence that the diversion ditches and storm water control devices are functioning as designed was observed and no significant erosion was observed throughout the site.

All work and shop appeared to be in good condition as seen in Photos Two and Three. The shop and storage facility in Photo Two was discovered to be unsecure, with the bay door opened. According to the operator there appeared to be no signs of theft or damage to the structure. The office facility was secured, and no signs of attempted unauthorized entry were noted on that facility. The portal located on site has been opened to be used as ventilation for the underground workings of the entire Sunday Complex. The earthen backfill material has been removed but the gates remain locked to prevent unauthorized entry. The portal with its locked gates can be seen in Photo Four. Various other debris was observed on site however it was stored in an orderly fashion and was not a concern at this time. The main pad and work area was in good condition, evidence of weed management during the growing season was observed. The whole site exhibits positive drainage and no erosional issues were observed at this time. Some areas around the perimeter of the pad area have begun to revegetate themselves with volunteer species.

The lined Ore Pad was observed to be in good condition. The face of the pad shows no evidence of surface stockpiling and no observable impacts from precipitation was noted. The out slopes and berms of the pad appear stable. The pad can be seen in Photos Five and Six.

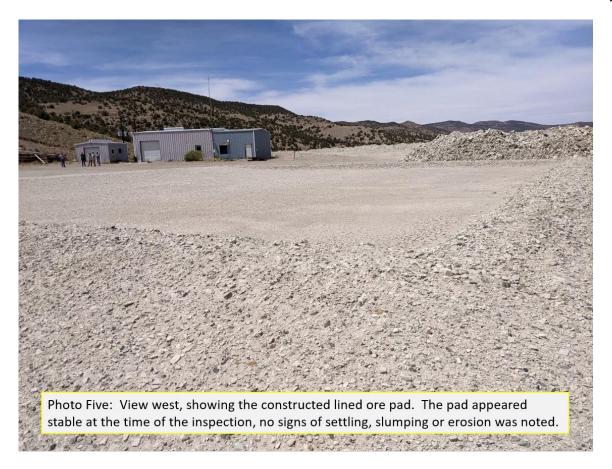
The overall footprint of the site was in good condition and free from excessive trash and debris. The condition of the site remains largely unchanged from the previous inspection. No problems or possible violations were noted at this time. All questions or responses to this report should be directed to Lucas West at the Division of Reclamation, Mining and Safety, 1001 E. 62nd Ave, Denver CO, 80216 or by phone at (303)-866-3567 Ext. 8187 or by email at lucas.west@state.co.us.

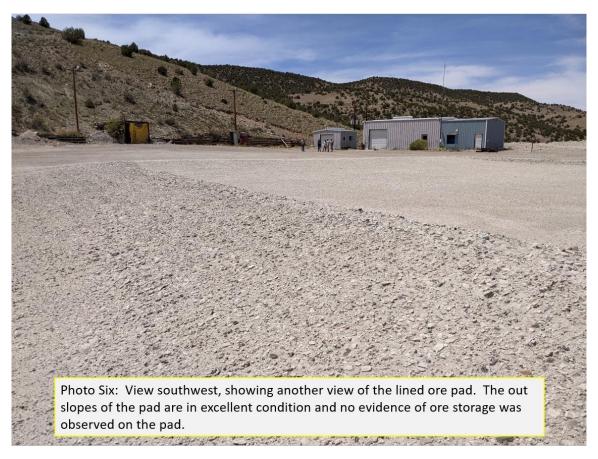












PERMIT #: M-1981-021 INSPECTOR'S INITIALS: LJW INSPECTION DATE: May 19, 2022

<u>Inspection Contact Address</u> Michael Rutter Pinon Ridge Mining LLC P O Box 825 Nucla, CO 81424

CC: Travis Marshall, DRMS James Blair, BLM