

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:
Neglected Mine		M-1981-165	Gold	La Plata
INSPECTION TYPE:		INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring		Dustin Czapla	August 18, 2022	10:00
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Mine Development Inc		Harold Luzar	110(2) - Hard Rock Limited Impact	
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program		Complete Bond	\$23,221.00	
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:	
NA		None	None	
WEATHER:	INSPECTOR'S SIGNATURE:		SIGNATURE DAT	Е:
Clear	De		September 15, 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 <u>N</u>	(RD) ROADS <u>N</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 Y	(ST) STIPULATIONS <u>N</u>
(AT) ACID OR TOXIC MATERIALS <u>Y</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 Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Harold Luzar, representing the Operator, was present during this inspection. Photographs are included with this report in order to illustrate conditions observed.

The Neglected Mine is located approximately 11 miles northwest of Durango and accessed from CR 204. The site is a 110(2) operation that includes a total of 9.0 permitted acres. The Division currently holds a financial warranty amount of \$23,221.00 for this site. The Division has reviewed the reclamation costs, in order to ensure the financial warranty reflects the actual current cost of fulfilling the requirements of the Reclamation Plan, and determined that the current financial warranty amount is sufficient.

Adequate mine identification signage was noted at the entrance to the site.

The affected area was marked by signs adequate to delineate the affected area boundary.

The site is an underground gold mining operation with support and milling facilities located on the surface. The site sees minimal seasonal mining activity. The portal was secured with a locked steel door. The mill and generator building was secured and appeared in good repair. The tailings pond appeared in good condition. No visible signs of leakage or tears in the liner were noted. Overall the site appears orderly and well maintained.

No problems or violations were noted during this inspection.

Responses to this inspection report should be directed to Dustin Czapla at the Division of Reclamation, Mining and Safety, 1313 Sherman Street Room 215, Denver, Colorado, 80203, phone number (303) 866-3567, ext. 8188.

PERMIT #: M-1981-165 INSPECTOR'S INITIALS: DMC INSPECTION DATE: August 18, 2022







Inspection Contact Address

Harold Luzar Mine Development Inc 6029 CR 250 Durango, CO 81301