




MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

The Division of Reclamation, Mining and Safety 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: Henderson Mine	MINE/PROSPECTING ID#: M-1977-342	MINERAL: Molybdenum	COUNTY: Clear Creek, Grand
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: March 14, 2023	INSP. TIME: 09:00
OPERATOR: Climax Molybdenum Company	OPERATOR REPRESENTATIVE: Kasey Martin	TYPE OF OPERATION: 112d-3 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$92,702,835.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Peter Hays Brock Bowles	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: March 15, 2023	

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>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>N</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>Y</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>Y</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--- <u>Y</u>	(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

The Henderson Mill was inspected by Peter Hays and Brock Bowles with the Division of Reclamation, Mining and Safety (Division/DRMS) as part of the Division's monitoring inspection program. Mr. Kasey Martin with Climax Molybdenum - Henderson Operations (Henderson) was present during the inspection.

Designated Chemical Storage:

The current Environmental Protection Plan (EPP) for the Mine and Mill was approved by the Division under technical revision no. 34 (TR34) on August 24, 2021. The approved EPP supersedes the previous EPP approved under TR18. The purpose of the inspection was to inspect the designated chemical storage facilities listed in Section 7.2.2 of the approved EPP.

The Environmental Protection Facilities (EPF) for designated chemicals at the Henderson Mill include enclosed buildings, trailers, tanks, bins and berms used individually or in combination to contain the designated chemicals at the site. The following EPF facilities were observed during the inspection;

- Mill EPF 2.1 - Sodium Hydroxide Storage
- Mill EPF 2.2 - Hydrochloric Acid Storage
- Mill EPF 2.3a - Frother Chemical Storage (Dowfroth 250-C)
- Mill EPF 2.3b - Depressant Chemical Storage (Orform D8 Depressant)
- Mill EPF 2.4 - Pine Oil Storage
- Mill EPF 2.5 - Collector Oil Storage (vapor oil and diesel #2)
- Mill EPF 2.6 - Syntex Storage
- Mill EPF 2.7 - Sodium Lauryl Sulfate Storage
- Mill EPF 2.8 - Tergitol NP-9/9N9 Surfactant Storage
- Mill EPF 2.9 - Quickline Storage
- Mill EPF 2.10 - Nokes Storage

The Orform D8 Depressant is currently stored in 275 gallon totes in the Mill building with a maximum storage capacity of 5,400 gallons. The Operator is in the process of relocating the Orform D8 Depressant from tote to tank storage. The empty tank was observed during the inspection. The Division will require the Operator to update the EPP to accurately describe the storage of Orform D8 in the EPP.

The steel 500 gallon head tank for Tergitol NP- 9/9N9 Surfactant Storage was replaced by a plastic tank since the last designated chemical inspection. The plastic tank capacity is 500 gallons, so no revision to the EPP is required by the Division.

Photographs taken during the inspection are attached. If you need additional information or have any questions, please contact me at the Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at 303.866.3567 x 8124, or by email at peter.hays@state.co.us.

PHOTOGRAPHS



New plastic 500 gallon 9N9 head tank



Current storage of D8 in totes



Future D8 storage tank

Inspection Contact Address

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