

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:
Henderson Mine		M-1977-342	Molybdenum	Clear Creek, Grand
INSPECTION TYPE:		WEATHER: Clear	INSP. DATE:	INSP. TIME:
Monitoring			August 22, 2023	09:00
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Climax Molybdenum Company		Geoff Niggeler	112d-3 - Designated Mining Operation	
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program		None	\$135,204,778.00	
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:	
NA		None	None	
INSPECTOR(S):	INSPECTOR'S SIGNATURE:		SIGNATURE DATE:	
Brock Bowles			September 8, 2023	
Amber Michels	1 1 1 0			
Joel Renfro	Brok Sauls			
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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 N	(RD) ROADS <u>N</u>
(HB) HYDROLOGIC BALANCE <u>N</u>	(BG) BACKFILL & GRADING <u>N</u>	(EX) EXPLOSIVES <u>N</u>
(PW) PROCESSING WASTE/TAILING N	(SF) PROCESSING FACILITIES N	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- N	(FW) FISH & WILDLIFE <u>N</u>	(RV) REVEGETATION N
(SM) SIGNS AND MARKERS <u>N</u>	(SP) STORM WATER MGT PLAN N	(RS) RECL PLAN/COMP N
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION N	(ST) STIPULATIONS <u>N</u>
(AT) ACID OR TOXIC MATERIALS N	(OD) OFF-SITE DAMAGE <u>N</u>	

 $Y = Inspected \ / \ N = Not \ inspected \ / \ NA = Not \ applicable \ to \ this \ operation \ / \ PB = Problem \ cited \ / \ PV = Possible \ violation \ cited \ A = Not \ applicable \ to \ this \ operation \ / \ PB = Problem \ cited \ / \ PV = Possible \ violation \ cited \ A = Not \ applicable \ to \ this \ operation \ / \ PB = Problem \ cited \ / \ PV = Possible \ violation \ cited \ A = Not \ applicable \ to \ this \ operation \ / \ PB = Problem \ cited \ / \ PV = Possible \ violation \ violation$

PERMIT #: M-1977-342 INSPECTOR'S INITIALS: BFB INSPECTION DATE: August 22, 2023

OBSERVATIONS

This inspection was conducted by Brock Bowles, Amber Michels, Joel Renfro and Russ Means of the Division of Reclamation, Mining and Safety (Division). Geoff Niggeler of Climax Molybdenum- Henderson Operations (Henderson) was present for the inspection.

The Henderson Mine is located 15 miles south of Parshall in Grand County. This site is a 112d-3 Designated Mining Operation (DMO) permitted for 11,877.5 acres. At the time of the inspection, it was warm and sunny. The ground was mostly dry.

The focus of this inspection was the stormwater structures on the mine side of Henderson and the external facilities of the URAD water treatment plant.

OF-7 is a rock check dam northwest of the laydown yard. It was in good condition (photo 1).

OF-8A Butler Gulch, A rock check dam was in place and was in working order.

OF-8B Butler Gulch, Two rock check dams were in clean and operating properly (photo 2).

OF-8C Butler Gulch, A series of rock check dams with wattles were recently refurbished and were in good condition.

OF-9 The inlet to the culvert above the outfall consists of a rock check dam and it was free of obstructions.

OF-14 Is a rock check dam on the west side of a storage area. The check dam was clear of obstructions and in good condition.

OF-15 The sediment pond above the discharge culvert was clean and free of obstructions (photo 3).

OF-17 Has a sump in front of a rock check dam. The sump did not contain water and the check dam was in good condition.

OF-18 Is located next to the potable water plant. It consists of a vault box buried in the ground. The top of the vault box has grate even with the ground surface (photo 4). Water is discharged from a culvert in the vault box to Butler Gulch. The vault is nearly full of sediment and needs to be cleaned.

OF-19 This outfall is newly constructed. Some of the water from the potable water treatment building site is diverted to this outfall along the road. A series of check dams treats the runoff and the outfall is constructed of a rock check dam.

A few Canada thistle plants were growing north of OF-17. These are Class B noxious weeds and need to be treated.

The groundwater well MNGW-1 is the POC for the mine ground water monitoring program (photo 5). Concrete was used to seal around the well casing when it was installed. Since then, the ground has settled around the casing and the concrete is probably no longer creating an effective seal.

The power was out at the URAD treatment plant. The outside facilities were inspected. Mine water will still being pumped into the holding pond. The east sludge pond had been piled up for drying. The west sludge pond was currently in use. The treated water is discharged through a culvert that intersects with the underground pipeline section of Wood's Creek.

PHOTOGRAPHS



Photo 1 – OF7 check dam in working order.



Photo 2 – OF8B, two check dams leading to Butler Gulch







Photo 4 – OF18, buried vault box with grate top catches sediment.



Photo 5 - groundwater well MNGW-1

Inspection Contact Address
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