




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: Carnation Mine	MINE/PROSPECTING ID#: M-1977-416	MINERAL: Uranium and vanadium	COUNTY: San Miguel
INSPECTION TYPE: Multi Person Inspection	WEATHER: Clear	INSP. DATE: November 13, 2024	INSP. TIME: 12:30
OPERATOR: Pinon Ridge Mining LLC	OPERATOR REPRESENTATIVE: Mike Rutter	TYPE OF OPERATION: 110d - Designated Limited Impact	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE:	BOND AMOUNT: \$40,245.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Lucas West	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: December 9, 2024	

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>Y</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--- <u>Y</u>	(ST) STIPULATIONS----- <u>Y</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 Active Mines Program. In addition to the inspector and Operator representatives listed on page one of this report, Bridget Wade of the Bureau of Land Management (BLM) and Bruce Smith of Western Water and Land, a consultant for the Operator were present. The Carnation mine is a 110d operation that is currently listed as Active and consists of a maximum allowed disturbance of 9.8 acres. The site is a part of a five site permitted complex collectively referred to as the Sunday Mine Complex. The Division currently holds \$40,245.00 in Financial Warranty for the site. A reclamation cost estimate update has been performed and staff calculations found that the currently held financial warranty is insufficient to conduct reclamation. Please see the attached Notice of Surety Increase for more information. Three Photos accompany this report to illustrate the current conditions of the site.

The permit ID sign was observed at the entrance to the site, on a secured gate, as seen in Photo One. The permit boundary markers were also observed, and all disturbances were confined within the permitted area. Evidence that the diversion ditches and storm water control devices are functioning as designed and no significant erosion was observed throughout the site. The lower permit area was also in good condition with no signs of significant erosion. The lower area has begun to revegetate itself and appears to be in good condition.

The portal, shown in Photo Two, located on site was also secured. it has been backfilled, closed off with steel grates as well as encompassed by a small berm. No fuel storage containers were observed on site. 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. The portal pad area has begun to revegetate itself with volunteer species as seen in Photo Three.

The overall footprint of the site was in good condition and free from excessive trash and debris. No problems or possible violations were noted during this inspection. 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, Room 215, Denver CO 80216, by phone at (303)-919-2997 or by email at lucas.west@state.co.us.

PHOTOGRAPHS



Photo One: View East, showing the proper Mine ID Signage posted at the entrance to the site, on a locked gate.



Photo Two: View South, showing the secured and backfilled portal located on site. The closure and structure are in good condition and show no signs of vandalism or attempted unauthorized entry.



Inspection Contact Address

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P O Box 825
Nucla, CO 81424

Enclosure Notice of Surety Increase (SI-3)

CC: Travis Marshall, DRMS
 Bridget Wade, BLM
 Bruce Smith, Western Water and Land