




COLORADO DIVISION OF RECLAMATION, MINING, AND SAFETY
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: J Birds	MINE/PROSPECTING ID#: M-2005-050	MINERAL: Uranium and vanadium	COUNTY: Montrose
INSPECTION TYPE: Monitoring	INSPECTOR(S): G. Russell Means	INSP. DATE: March 14, 2012	INSP. TIME: 09:00
OPERATOR: Rimrock Exploration & Development, Inc.	OPERATOR REPRESENTATIVE: Allen and Wesley Chiles	TYPE OF OPERATION: 110d - Designated Limited Impact	

REASON FOR INSPECTION: Priority	BOND CALCULATION TYPE: None	BOND AMOUNT: \$17,146.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: March 19, 2012

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>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</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>	(SB) COMPLETE INSP---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</u>	(OD) OFF-SITE DAMAGE----- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>

Y = Inspected and found in compliance / 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 of the Colorado Division of Reclamation, Mining, and Safety (Division) for permitted sites. The primary purpose of the inspection along with general monitoring is to discuss construction plans and schedules for internal stormwater control designs approved in TR-01.

The J-Bird Mine is a 110d uranium mine located on Wray Mesa in Western Montrose County. The Division inspector, Russ Means, was accompanied by Rim Rock Exploration representatives Alan and Wesley Chiles. The J-Bird Mine has an approved environmental protection plan (epp) on file.

The mine identification sign and affected area boundary markers are in place and in compliance with Rule 3.1.12. The sign is located on the gate at the entrance to the site as it enters the lower bench permit access point. Permit boundaries are marked by t-posts that clearly marked the affected areas.

EPP on- Site Review

The inspector looked at the on-site storm-water control measures. These controls are part of the internal mine plans approved by the Division and do not necessarily reflect other measures required by the Colorado Department of Public Health and Environment's (CDPHE) issued stormwater permit. Those requirements are regulated by CDPHE.

The required stormwater run-on diversion ditches are in place as required. Ditches are clean and maintained. Some native vegetation is beginning to establish which will augment water energy dissipation and slope stabilization. No erosion or sedimentation issues were observed.

Internal stormwater controls include grading and collection ditches that currently channel water to two catchment ponds in place. The catchments were reviewed under TR-01 to take into account the relocation of the portal and waste dumps.

On the upper bench, the operator is doing construction work on the catchment pond that collects water from the new portal and staging area. The current construction has a capacity greater than the required design. The operator will add in a spill-away with a liner and rip-rap as reviewed. From there a channel will be constructed to a lower temporary pond below the waste dumps. The operator and inspector tested on-site sandstone for rip-rap using the accepted "rock durability field ring test". The inspector picked several pieces of typical sandstone rock to be used as rip-rap. The rock demonstrated characteristics noted as a Class 1 or a high Class 2 which is acceptable. The inspector also showed the operator some Class 4 and 5 rock which cannot be used.

The lower catchment pond is the primary collection pond for the site. The banks are becoming vegetated with volunteer vegetation that is being augmented by some seeding from the operator. The inspector notes rip-rap of the intake with stone to prevent erosion. The location of the spill-away was discussed and it is noted as going to be constructed in the northeast corner of the structure with a short ditch that leads to the adjacent drainage as designed. As with the upper pond a liner and rip-rap will be installed.

The operator will begin construction of the structures as soon as materials can be delivered. Per written and oral agreement the operator will notify the inspector at least 10 days prior to installation of the liner. The inspector may visit during the installation as part of the requirements for QA / QC for environmental protection facilities.

Mine Plan and Site Review

The old portal is decommissioned and partially backfilled. The portal has approximately 75 feet of material pushed into the portal. The access ramp is filled in but not quite back to natural terrain. This season more materials will be added in to match existing topography and eventually the waste pile will cover the entire area which is acceptable.

The waste rock piles are reconfigured as approved. Stormwater from the toe of the dumps is directed towards the collector ditches as designed which go into the sedimentation ponds. No issues are noted at this time.

The ore storage pad has approximately 125 tons of ore recently placed on it. The area has a natural clay liner installed. Observations note stormwater has been retained on the pad as planned. There are no indications of off-area excursions noted. The operator is contemplating a modification to the current pad to allow better truck access for loading. The overall modification as discussed increases the pad area slightly but maintains the clay pad and drainage as approved. Also, a re-alignment of the entry gate within the permit area was discussed. No technical revision is warranted for these changes as presented.

Reclamation Plan

There are two topsoil stockpiles observed on the upper bench. Some of the soil has been placed on the outside of the upper retention pond and seeding is planned in the next few weeks.

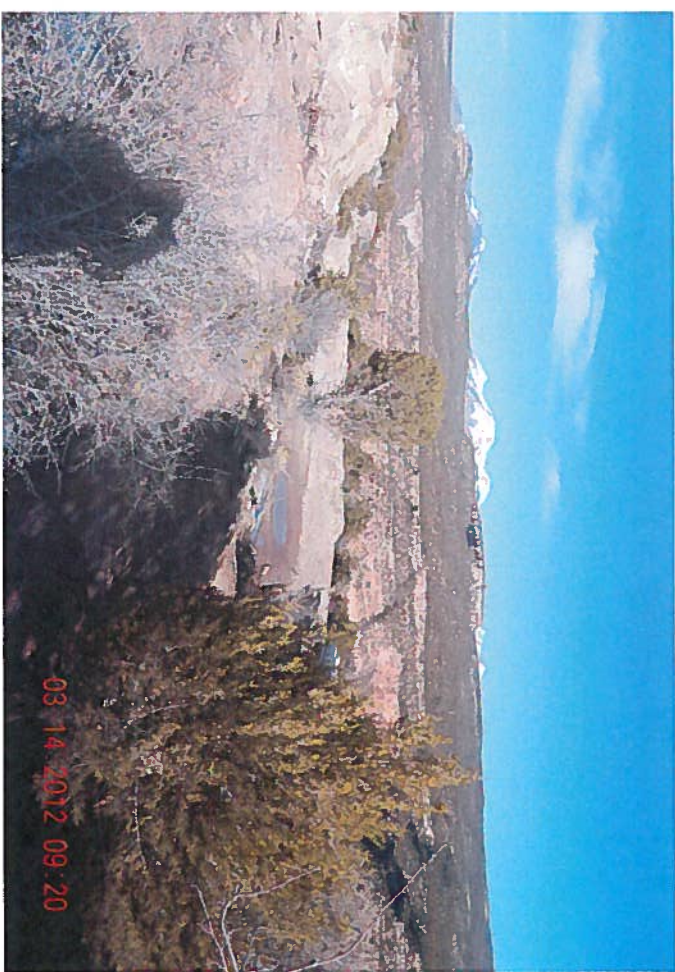
No noxious weeds are noted on site during the early season. The operator has been diligent in monitoring as thistle and knapweed are noted in the general vicinity.

No issues or problems are noted at this time. The site is fully compliant with all approved plans.

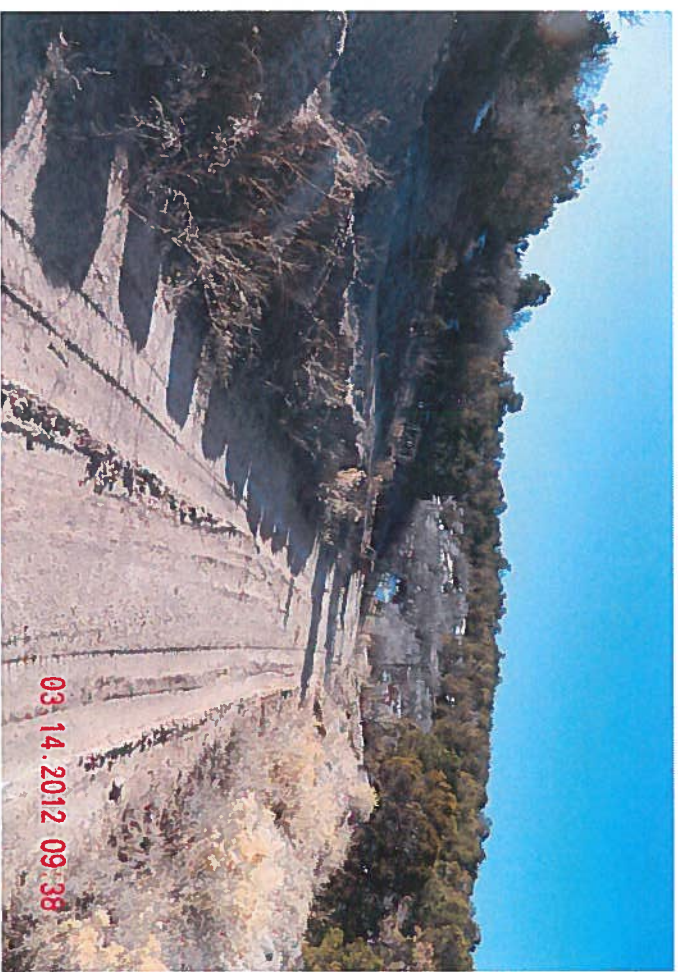
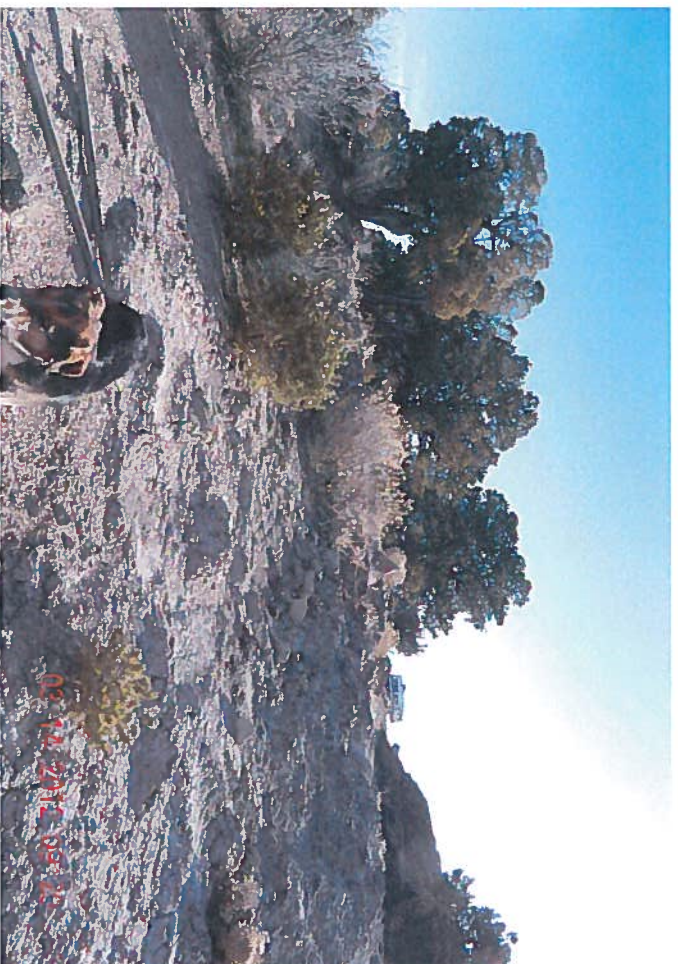
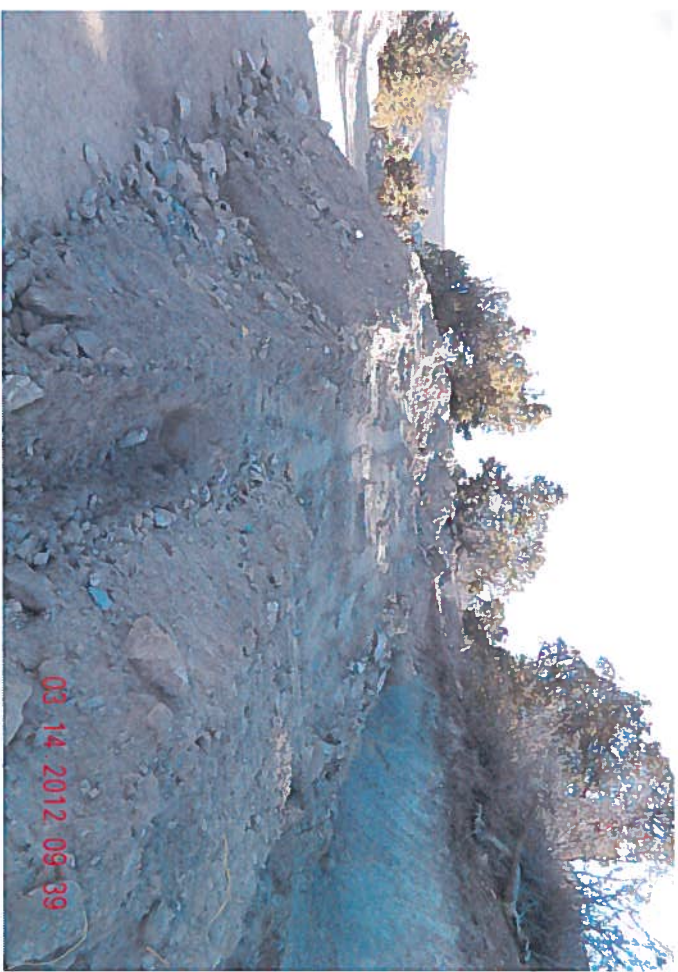
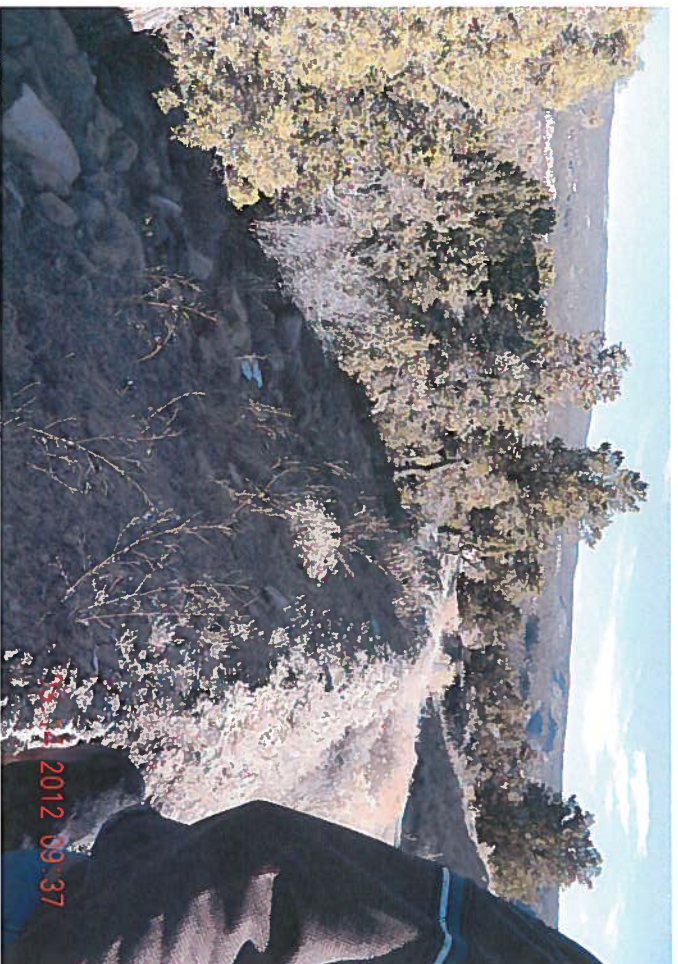
Responses to this inspection report should be directed to Russ Means at the Division of Reclamation, Mining, and Safety, Grand Junction Field Office, 101 South 3rd Street, Room 301, Grand Junction, Colorado 81501, phone no. 970-241-1117.

Inspection Contact Address

Allen and Wesley Chiles
Rimrock Exploration & Development, Inc.
P.O. Box 430
Nucla, CO 81424









(Flow Chart may be modified by in-service performance data)
Check the appropriate boxes along flow chart lines to define the durability of rock in question.

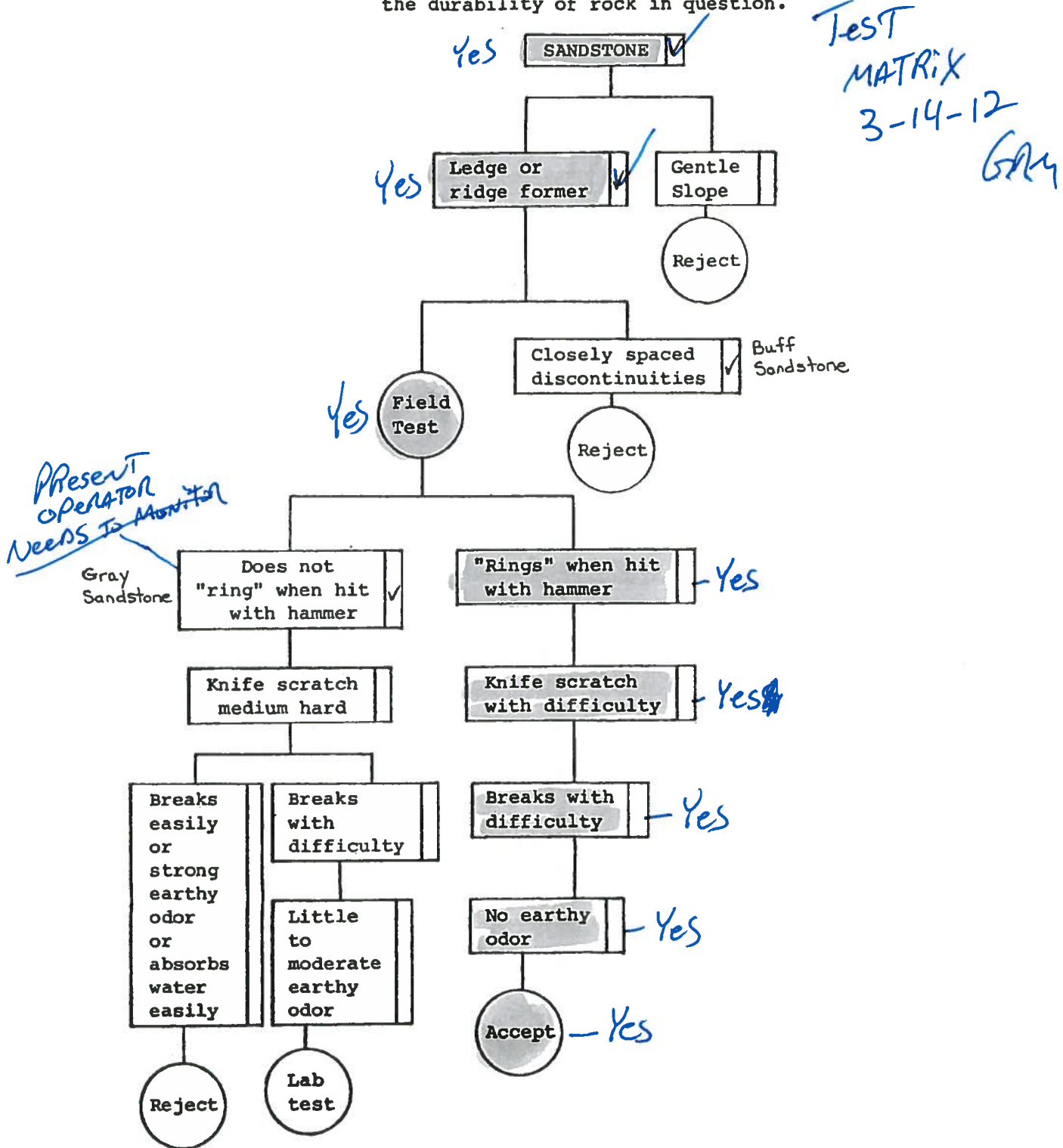


Figure 8.4. Rock durability field flow chart: example.