




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: September 25, 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: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$17,146.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: U.S.BLM	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: October 5, 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>Y</u>	(RD) ROADS----- <u>Y</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>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 J-Bird Mine is 110d uranium mine located on Wray Mesa in Western Montrose County. The Division Inspector, Russ Means, was accompanied by the operator, Rimrock Exploration, representatives on site was Allen 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 under the EPP 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 and meet design criteria 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.

On the upper bench, the operator has completed work on the catchment pond that collects water from the new portal and staging area. The spill-a-way is lined with geo-fabric and armored with stone. 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 inlet and outlet of the lower pond is also lined with fabric and stone as required.

The ore storage pad has approximately 100 tons of ore at this time. The operator has been shipping ore off site on an irregular basis throughout the summer. The operator hopes to ship one last load to clear the pad before winter. If this does not occur, the operator will take extra measures to ensure the stockpile does not erode or become saturated. Drainage in the area confines precipitation to the pad with a zero run-off during all but historic events. In that case, collector ditches along the access road take the flow to the main catchment pond.

Groundwater monitoring has concluded the five quarters of monitoring as required. The operator notes that the one up gradient and two down gradient wells have remained dry as predicted. The operator may now request a Technical Revision to adjust the monitoring interval too annually. The Division is requesting a formal report noting the dates and results of the five quarters be submitted within 60 days.

General Mine Plan Review

The old portal is decommissioned and now being covered by the waste pile. Initial backfill went in approximately 25 to 50 feet and will be covered by at least that much waste rock. The waste rock piles are reconfigured which were addressed within the recent TR.

Reclamation Plan Review

The inspector observed two topsoil stockpiles on the upper bench. This fall the stockpiles need to be protected from erosion. The inspector recommends using the approved seed mix to establish a vegetative cover.

There are some noxious weeds in the vicinity. The operator is being vigilant and pro-active spraying any such weeds. The inspector noted dead and dying Canadian or bull thistle within the permit boundaries.

Due to the phase of mining no other reclamation issues are noted.

Conclusion

The inspector notes no issues or problems at this time. The operator is following the mine plan and EPP as required.

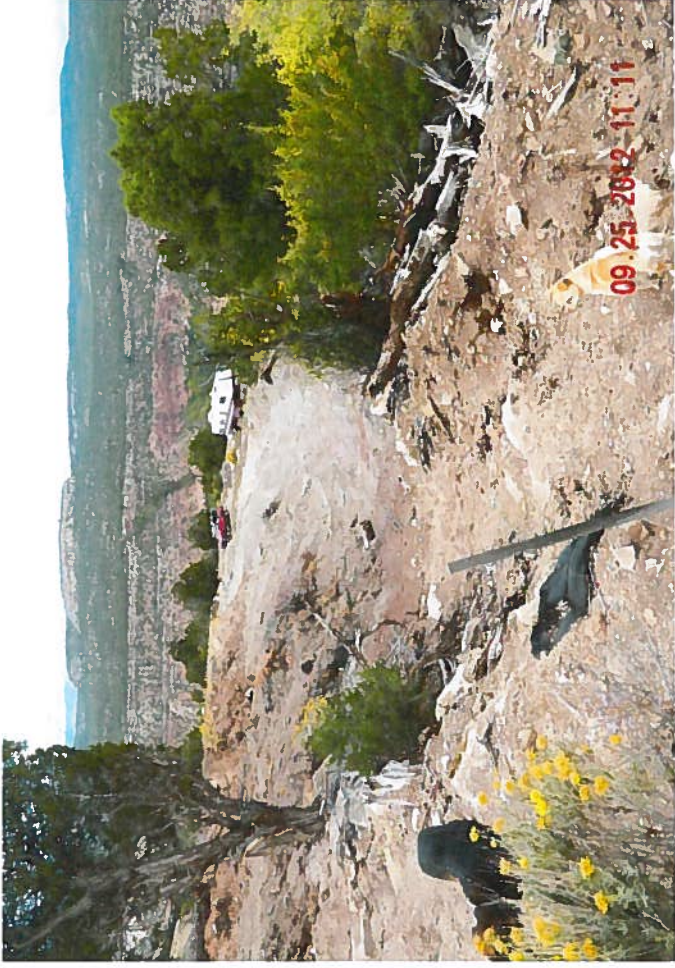
Inspection Contact Address

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

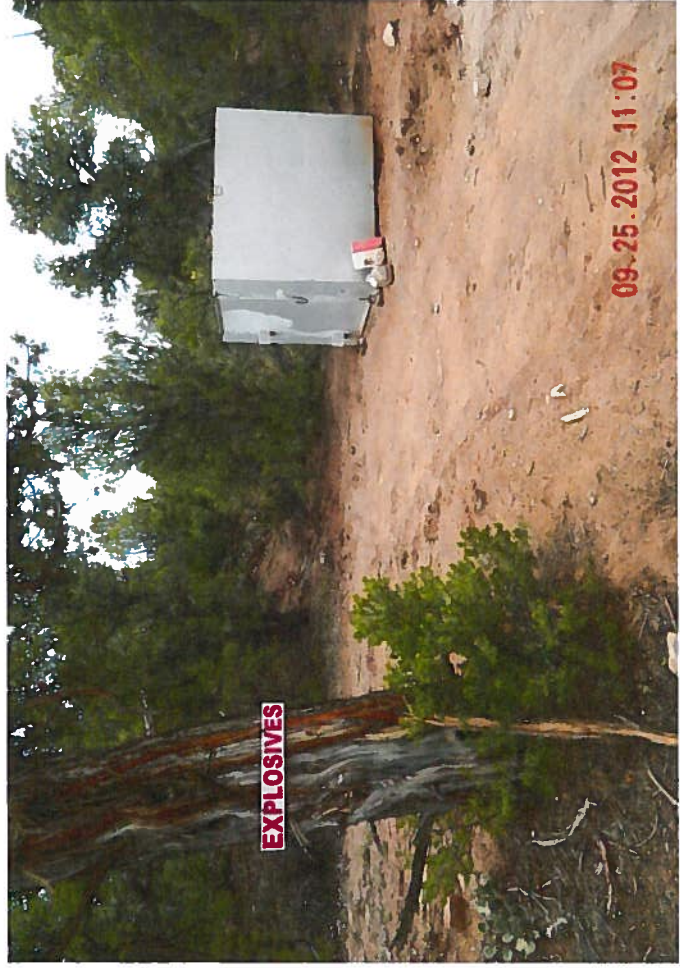
CC: Rob Ernst, BLM Uncompaghe Field Office, Montrose



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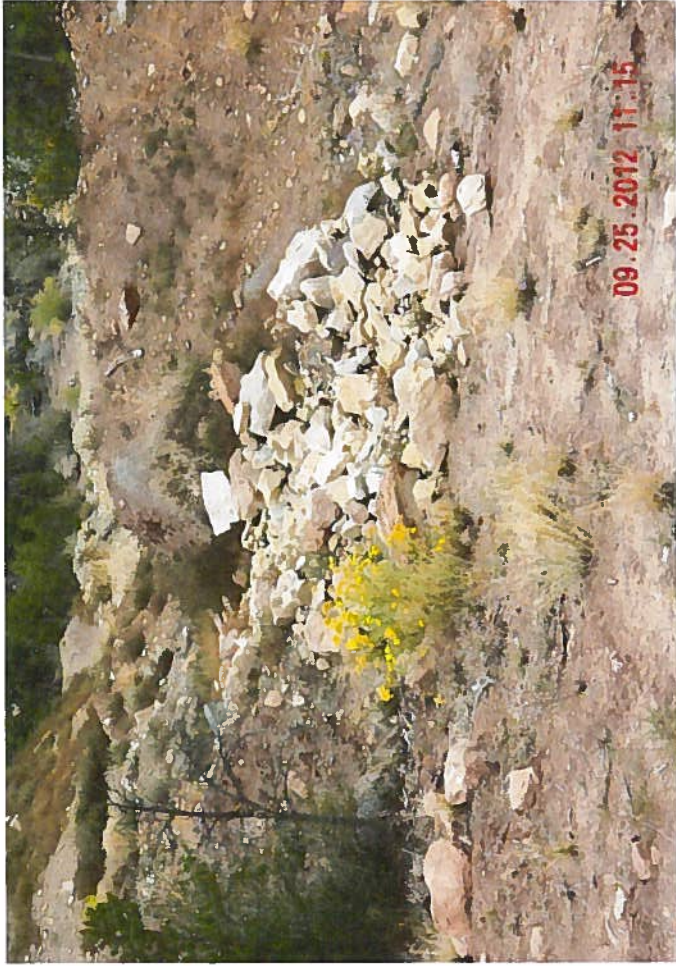


EXPLOSIVES

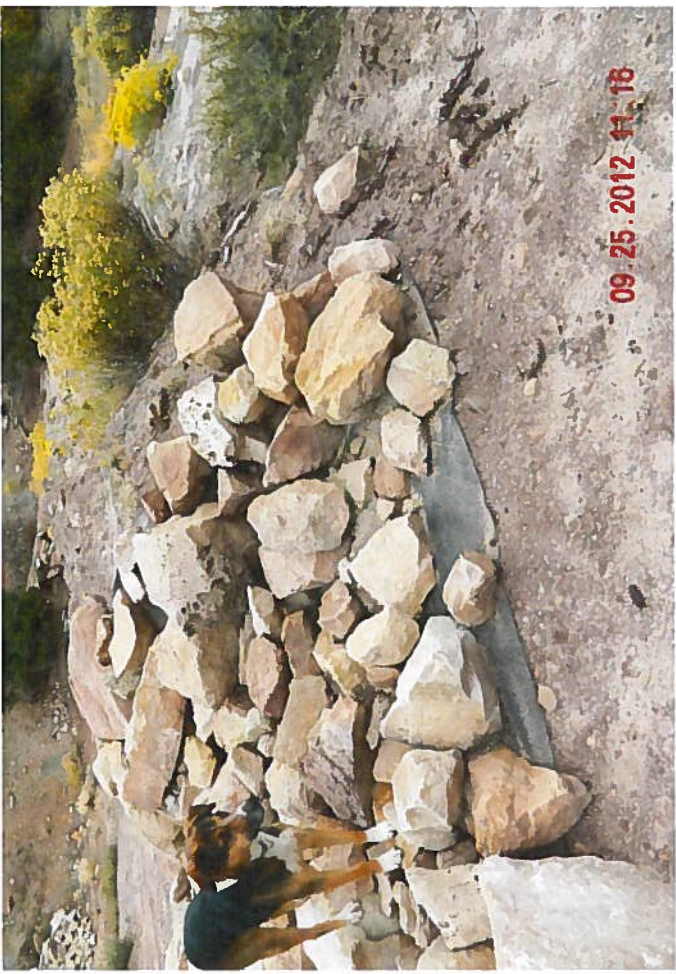
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