

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:	MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
C-JD-8	M-1984-014	Uranium and vanadium	Montrose
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring	Dustin Czapla, Russ Means	October 2, 2012	12:30
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Cotter Corporation	Glen Williams	112d-1 - Designated Mining Operation	

REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:
Normal I&E Program	None	\$41,191.00
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:
NA	None	None
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:
Clear	Chell	October 15, 2012

GENERAL INSPECTION TOPICS

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. Note: 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 N	(RD) ROADS <u>N</u>
(HB) HYDROLOGIC BALANCE <u>Y</u>	(BG) BACKFILL & GRADING <u>Y</u>	(EX) EXPLOSIVES N
(PW) PROCESSING WASTE/TAILING N	(SF) PROCESSING FACILITIES \underline{N}	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- N	(FW) FISH & WILDLIFE \underline{N}	(RV) REVEGETATION <u>Y</u>
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN N	(SB) COMPLETE INSP N
(ES) OVERBURDEN/DEV. WASTE N	(SC) EROSION/SEDIMENTATION \underline{N}	(RS) RECL PLAN/COMP \underline{Y}
(AT) ACID OR TOXIC MATERIALS N	(OD) OFF-SITE DAMAGE \underline{N}	(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 Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Glen Williams, representing the Operator, was present during this inspection. Photographs are included with this report in order to illustrate some of the conditions observed.

The C-JD-8 site is located approximately 12 miles west of Naturita and accessed from Ee16 road. The site is a 112d-1 operation that includes a total of 20.1 permitted acres.

The permit for this site was amended in August, 2012 to include an Environmental Protection Plan in order to address the requirements for Designated Mining Operations. Active mining has not occurred at this site since the approval of AM1.

An office building, compressor building and ventilation system was in place on the main mine bench. Mining equipment was located at the siteh. An empty fuel tank was observed on the mine bench. This tank was placed in a lined containment area, but with insufficient volume to contain 110% of the tanks capacity. Should this fuel tank be used in the future, the containment area must be enlarged.

Upgrades to the sites storm water control system had been completed.

No problems or violations were noted during this inspection.

Responses to this inspection report should be directed to Dustin Czapla at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 South 3rd Street, Room 301, Grand Junction, Colorado 81501, phone number (970) 243-6299.

PHOTOGRAPHS



Figure 1: JD-8 portal.



Figure 2: Fuel storage on site. Tank was empty during inspection. Containment will need be enlarged should fuel tank be used in future.



Figure 3: Stormwater retention pond constructed on northeast side of mine bench.



Figure 4: Stormwater retention pond constructed on northwest side of mine bench.

Inspection and Enforcement Contact

Glen Williams Cotter Corporation P.O. Box 700 Nucla, CO 81424