

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:
Mineral Joe Claims	M-1977-284	Uranium and vanadium	Montrose
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring	Dustin Czapla, Russ Means	October 2, 2012	13:10
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Cotter Corporation	Glen Williams	110d - Designated Limited Impact	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$34,331.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE:	SIGNATURE DATE: 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 N	(BG) BACKFILL & GRADING <u>Y</u>	(EX) EXPLOSIVES N
(PW) PROCESSING WASTE/TAILING N	(SF) PROCESSING FACILITIES N	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- Y	(FW) FISH & WILDLIFE <u>N</u>	(RV) REVEGETATION <u>Y</u>
(SM) SIGNS AND MARKERS <u>N</u>	(SP) STORM WATER MGT PLAN N	(SB) COMPLETE INSP N
(ES) OVERBURDEN/DEV. WASTE N	(SC) EROSION/SEDIMENTATION N	(RS) RECL PLAN/COMP Y
(AT) ACID OR TOXIC MATERIALS N	(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 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 Mineral Joe Claims site is located approximately 9 miles west of Naturita and accessed from Ee18 road. The site is a 110d operation that includes a total of 9.5 permitted acres.

Notice of the AM1 application was noted at the site.

Mineral Joe 12

The shaft in this area was fenced off. Vegetation in this area was well established. No problems or violations were noted.

Mineral Joe 2

The escapeway remained caved-in. Final grading of the waste dump area has been completed. The area appeared stable. Adequate vegetation has not yet been established.

No problems or violations were noted.

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

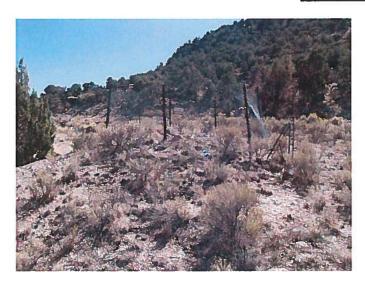


Figure 1: Mineral Joe 12 shaft.



Figure 2: Mineral Joe 12 shaft.



Figure 3: Mineral Joe 2 portal.



Figure 4: Mineral Joe 2 waste dump area.

Inspection and Enforcement Contact

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