

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:
Ike No 1 Mine	M-1977-451	Uranium and vanadium	San Miguel
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring	Dustin Czapla, Russ Means	October 3, 2012	10:30
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	\$100.00
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:
NA	None	None
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:
Clear	hes	October 16, 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>Y</u>
(HB) HYDROLOGIC BALANCE N	(BG) BACKFILL & GRADING <u>Y</u>	(EX) EXPLOSIVES N
(PW) PROCESSING WASTE/TAILING N	(SF) PROCESSING FACILITIES Y	(TS) TOPSOIL <u>Y</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 <u>Y</u>
(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 Ike No. 1 Mine/SR-11 site is located approximately 6 miles southwest of Slick Rock. The sites are accessed from CR 4q. The site is a 112d operation that includes a total of 13.3 permitted acres.

Notice of the AM1 application was noted at the SR-11 site.

No evidence of recent mining activity was noted during this inspection. According to the operator's annual reports, the last mining activity occurred in 2005.

Ike Mine

The Ike Mine area has been reclaimed. The portal has been backfilled and site grading has been completed. All slopes appeared stable and vegetation was well established.

SR-11

The SR-11 portal was secured by a locked steel gate. A mine office building and water tank were located on site. No other structures or equipment were observed. The area has been stripped of growth medium and cleared for mine operations. The cleared areas contained a significant amount of Russian thistle. Other native vegetation was becoming established as well. Stormwater runoff is directed to and retained by a sediment pond located in the southeast corner of the site. The system appeared to be effective.

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

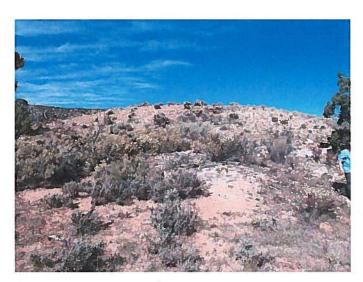


Figure 1: Reclaimed Ike Mine Portal area.



Figure 2: Reclaimed Ike Mine Portal area.

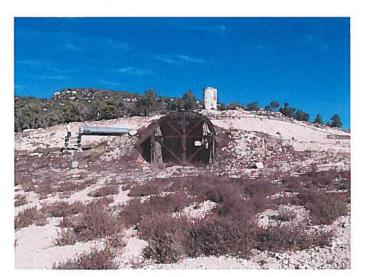


Figure 3: SR-11 Portal.



Figure 4: SR-11 Portal and operations area.



Figure 5: View from the SR-11 mine bench, facing east toward the sediment pond.



Figure 6: Growth medium stockpiled at the east end of the SR-11 area.



Figure 7: Facing west, from the east side of the sediment pond.

Inspection and Enforcement Contact

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