




**COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY
COAL PROGRAM INSPECTION REPORT**



PERMIT INFORMATION

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| Permit Number: C-1981-014 Mine Name: Southfield Mine Operator: Energy Fuels Coal, Inc. Operator Address: Mr George Patterson P.O. Box 459 Florence, CO 81226 | County: Fremont Operation Type: Underground Permit Status: Permanent Cessation Ownership: Private |
| | Operator Representative Present: None |
| Operator Representative Signature: (Field Issuance Only) | |

INSPECTION INFORMATION

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| Inspection Start Date: February 27, 2013 Inspection Start Time: 10:50 Inspection End Date: February 27, 2013 Inspection End Time: 13:45 | | Inspection Type: Coal Partial Inspection Inspection Reason: Normal I&E Program Weather: Clear | |
| Joint Inspection Agency: None | | Joint Inspection Contacts: | |
| Post Inspection Agency: None | | Post Inspection Contacts: | |
| Inspector(s): Janet H. Binns | Inspector's Signature:  Signature Date: 2/28/2013 | | |

Inspection Topic Summary

NOTE: Y=Inspected N=Not Inspected R=Comments Noted V=Violation Issued NA=Not Applicable

N - Air Resource Protection

N - Availability of Records

Y - Backfill & Grading

NA - Excess Spoil and Dev. Waste

NA - Explosives

R - Fish & Wildlife

R - Hydrologic Balance

R - Gen. Compliance With Mine Plan

N - Other

R - Processing Waste

R - Roads

R - Reclamation Success

R - Revegetation

N - Subsidence

N - Slides and Other Damage

Y - Support Facilities On-site

Y - Signs and Markers

N - Support Facilities Not On-site

NA - Special Categories Of Mining

N - Topsoil

COMMENTS

This was a partial inspection conducted by Janet Binns of CDRMS. The mine is a reclaimed underground mine. No personnel remain on-the mine site. No company representative met-the inspector at the mine site. Mr. George Patterson of EFCI was contacted by telephone that the inspector was enroute to the mine site approximately one hour prior to arrival to allow EFCI to accompany the inspection if desired. George indicated that he would not accompany the inspection. Weather was sunny calm and above 30 degrees. The mine site has received several inches of snow cover the past several days. Snow was melting into the ground, approx 2-4" of snow remained covering the mine site. George Patterson stated in a phone conversation the the had been on the site the previous day. Tire tracks were visible on the road with ~ 1" fresh snow in the tire tracks.

FISH and WILDLIFE – Rule 4.18:

Deer and rabbit tracks were evident across mine site. Songbirds were evident throughout the mine site as well.

HYDROLOGIC BALANCE - Rule 4.05

Drainage Control 4.05.1, 4.05.2, 4.05.3; Siltation Structures 4.05.5, 4.05.6; Discharge Structures 4.05.7, 4.05.10; Ground Water Monitoring 4.05.13; Surface Water Monitoring 4.05.13;

The inspector drove to the southwestern extent of the permit boundary to surface water sampling site NC-2 to observe if there was flow in Newlin Creek. Newlin Creek was still snow covered and not yet flowing. There was no flow in Newlin Creek at the Thompson Driveway culvert.

Pond 4 was snow covered with no frozen pool of water.

Pond 5 was snow covered with no frozen pool of water.

No problems were noted with either of these ponds.

Ditches throughout the mine site are snow covered.

GENERAL MINE PLAN COMPLIANCE:

Number of Partial Inspection this Fiscal Year: 7

Number of Complete Inspections this Fiscal Year: 2

Water Monitoring well MW-NW was the subject of NOV CV-2013-002, issued January 28, 2013. There was no sign of recent activity at the well. This enforcement action remains active.

PROCESSING WASTE/COAL MINE WASTE PILES – Rule 4.10 and 4.11 Drainage Control; Surface Stabilization; Placement:

The RDA snow covered on most of the pile. The snow had melted in to the soil on the east side of the pile. No concerns were noted with the RDA. A dry floral arrangement memorial was observed on the north side of reclaimed pond 3.

ROADS – Rule 4.03 Drainage 4.03.1(4)/4.03.2(4); Surfacing and Maintenance 4.03.1(5) and (6)/4.03.2(5) and (6) Reclamation 4.03.1(7)/4.03.2(7):

The roads throughout the mine site were snow covered. Only one set of tracks were apparent on the mine roads within the mine facilities area and RDA. The access road to the Monarch Fan was not accessed. No problems were noted on the mine and RDA access roads.

RECLAMATION SUCCESS - Rule 4.15, Rule 3:

Snow covered the reclaimed facilities area. Pine seedlings and Juniper seedlings show up in stark contrast against the snow. Numerous Ponderosa pine, Pinyon pine and Juniper seedlings continue to survive in this reclaimed area.

Proposed Pinyon-Juniper reference area was observed. EFCI has not marked the limits of the proposed reference area. Based on the map provided to the Division, it is unclear if two existing disturbances in this location fall within or outside of the proposed reference area.

REVEGETATION – Rule 4.15 Vegetative Cover; Timing:

In a telephone conversation with George Patterson of EFCI, on 2/27/2013, George indicated that he had seed to reseed the rill repair on the northwest side of the truck tunnel, but he has not seeded the area yet.

DOCUMENTS RECEIVED NA

OTHER (SPECIFY) NA

Number of Partial Inspection this Fiscal Year: 7

Number of Complete Inspections this Fiscal Year: 2

ENFORCEMENT ACTIONS/COMPLIANCE

Infraction Number: CV2013002

Inspection Date: January 23, 2013

Date Issued: January 28, 2013

Primary Topic: Hydrologic Balance

Description: Failure to ensure that water monitoring well MW-NW continues to function as designed.

Abatement #: 1

Abatement Due Date: 4/1/2013

Abatement Description: Remove the obstruction from MW-NW or establish a replacement water monitoring well that intercepts the Southfield Mine workings in the Red Arrow or Jack O' Lantern Coal seam.

Abatement #: 2

Abatement Due Date: 4/1/2013

Abatement Description: Provide evidence to the Division that Energy Fuels Coal Inc. has applied for a monitoring well permit with CDWR in accordance with Rule 2.03.10.

CV2013 remains active, and abatement steps have not been conducted yet. EFCI provided additional information to the Division on February 19, 2013, regarding the facts of the MW-NW.

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PHOTOGRAPHS



Photo 1: Thompson driveway culvert inlet. No flow in Newlin Creek yet. Newlin Creek remains snow covered.



Photo 2: Silt fence at truck tunnel rill repair. Still need seeding for stabilization.



Photo 3: Reclaimed portal facilities area. Ponderosa, Pinyon, and Juniper seedlings are noted as darker spots in this photo.

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Photo 4: Disturbance in locale of proposed PJ reference area. Photo 5: North end of proposed PJ reference area.



Photo 6: proposed PJ reference area



Photo 7: Approved PPJ reference area



Photo 8: Ponderosa and Juniper seedlings



Photo 9: MW-10 location

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