




**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.

<b>MINE NAME:</b> Hawkeye Mine	<b>MINE/PROSPECTING ID#:</b> M-1978-311	<b>MINERAL:</b> Uranium and vanadium	<b>COUNTY:</b> San Miguel
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Bob Oswald, Russ Means	<b>INSP. DATE:</b> May 16, 2013	<b>INSP. TIME:</b> 12:00
<b>OPERATOR:</b> Gold Eagle Mining, Inc.	<b>OPERATOR REPRESENTATIVE:</b> Don Corum	<b>TYPE OF OPERATION:</b> 110d - Designated Limited Impact	

<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> None	<b>BOND AMOUNT:</b> \$100.00
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> U.S. Energy	<b>JOINT INSP. AGENCY:</b> U.S. Energy
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> May 31, 2013

**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>N</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>NA</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>NA</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>NA</u>	(SF) PROCESSING FACILITIES----- <u>NA</u>	(TS) TOPSOIL----- <u>NA</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>NA</u>	(FW) FISH & WILDLIFE----- <u>NA</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>NA</u>	(SB) COMPLETE INSP---- <u>NA</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>NA</u>	(OD) OFF-SITE DAMAGE----- <u>NA</u>	(ST) STIPULATIONS----- <u>NA</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 performed by the Division as part of its monitoring of Hard Rock/Metal 110d permits. Since the operator recently submitted a statement to the Division that he is voluntarily placing the permit into the "final reclamation" stage rather than submit an Environmental Protection Plan as provided by a DRMS letter of September 30, 2011. The site is located in a US Department of Energy (DOE) uranium lease tract, so the Division wished to perform a joint inspection of the site with DOE staff. Besides the Division staff and the operator's representative named on page one as present during the inspection, also present were Daryl Corum, Ed Cotter of DOE, and Julie Murphy of the Colorado Attorney General's Office.

The required permit ID sign has fallen down from the steel T-posts immediately below the ore hopper, and should be re-installed. The affected area of the site is well within the permitted area boundaries, and the disturbed area has not changed during the life of the permit.

The permitted mine contains only one underground portal, which is located on the vertical face of a layer of massive, competent sandstone. The adit is safeguarded by a heavy gauge steel portal grate that is welded to steel anchors set into the solid sandstone. The grate prevents all human access; there is no locked door to open and no gap large enough to allow entry by anyone. Construction of the grate appears to meet Inactive Mines Program specifications. The adit entry is dry and no groundwater issues have been reported or observed in regard to the underground workings. No other openings, such as portals or vent shafts, are included in the permitted area or associated with this mine. The current approved reclamation plan requires this closure, and the Division considers this portion of the reclamation to be adequately completed.

There was a small waste rock dump west of the portal and below the bench, which the operator graded and seeded several years ago. Recent years of drought appear to have nearly eliminated the grass and much of the saltbush that had become established on the reclaimed surface. The earthwork is considered completed in this area, but it will require reseeding.

Other structures in the permitted area include: an old steel ore bin and some wood cribbing. These structures are fairly intact and may be eligible to remain onsite for their historical value, per a BLM-commissioned report from 1994. There is no overhead electric service or other utilities to the site. There are no buildings, electric transformers, debris, chemicals, fuel or other hydrocarbon stored on the site, and no ore stockpiles observed.

The operator has been successfully reducing the formerly abundant noxious weeds on the permit area, mainly Russian knapweed and tamarisk. No knapweed was observed during this inspection, and only a couple small shoots of tamarisk were seen. It is believed that with thorough and timely herbicide treatments this year, it is possible that the goal of eliminating the weeds may be reached.

The disturbed area did not include any appreciable amount of topsoil. Although there is a paucity of topsoil, there are areas that should be revegetated. It is recommended that the operator reseed these areas as the density and diversity of the foliage is still lacking when compared to the undisturbed areas nearby.

Development of this underground mine did not result in formation of a large amount of development rock for a pad or a waste rock dump in the permit area. The mining features of the site consist of a single portal on a small developed bench, the ore hopper below the portal bench, and a short ramp road up to the portal. The

mine is located in a natural gulch through which stormwater runs off from undisturbed areas upland of the mine and naturally flows to the alluvial areas below the mine. This gulch is steep and rocky, and during runoff events can carry rocks and sediment across the permit area. Past mining activity, however, does not appear to have any impact on the stability of the gulch, nor the amount of runoff transported. Stabilizing the gulch across the permit area to somehow control the runoff was discussed during the inspection. The primary goal is to control sedimentation and erosion across the reclaimed developed bench slope. It was generally agreed that although the gulch and the runoff were not affected by the mine, final reclamation of the site would require drainage control for gulch stabilization, such as rock placement to create a channel, a reconstruction of the filled-in cattle pond, and controlling the runoff release down to the road. This degree of drainage control is not presently part of the approved reclamation plan, so it must be addressed through a Technical Revision (TR) to the permit. (Note: The cattle pond was a temporary feature in the permitted area, located on level ground below the ore bin. Though it acted as a sediment trap, it was not part of the permit's stormwater control plan and was primarily for livestock water. It was removed by the operator recently during tamarisk control.)

The operator has voluntarily entered into final reclamation, which the Division will require to commence by October 1, 2013 construction season and be complete by May 31st, 2014. A plan, including the required Technical Revision and a schedule for commencement of reclamation activities must be submitted to the Division by August 1, 2013. Failure to submit the required plan and TR by August 1, 2013 may result in a "Reason to Believe" a violation exist letter being issued for failure to comply and scheduling the matter as an enforcement hearing before the Mined Land Reclamation Board.

If there are questions regarding this report, please contact this inspector at the Division's Durango Field Office.  
DRMS – Durango Field Office, 691 CR 233, Room A-2, Durango, CO 81301  
Telephone 970-247-5193

**Inspection Contact Address**

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Gold Eagle Mining, Inc.  
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Montrose, CO 81402

CC: Ed Cotter, US DOE, Office of Legacy Mgmt., 2597 Legacy Way, Grand Junction, CO 81503  
EC: Julie Murphy, AGO, Denver, CO

**INSPECTION PHOTOS**

Photo at left shows view of the adit immediately inside the welded steel portal grate (note cross bars of grate visible at top and bottom of view)

Photographs continue on next page





**PHOTOGRAPHS**

