




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: Club Mesa DOE Lease Tract C-CM-24	MINE/PROSPECTING ID#: P-2009-014	MINERAL: Uranium	COUNTY: Montrose
INSPECTION TYPE: Surety Release Inspection	INSPECTOR(S): Dustin M. Czapla	INSP. DATE: July 8, 2013	INSP. TIME: 10:00
OPERATOR: Energy Fuels Resources Corporation	OPERATOR REPRESENTATIVE: Race Fisher	TYPE OF OPERATION: MP - Mineral Prospecting	

REASON FOR INSPECTION: Surety Release Requested	BOND CALCULATION TYPE: None	BOND AMOUNT: \$100.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: DOE/BLM
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: July 11, 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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>N</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>N</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(SB) COMPLETE INSP---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(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 joint surety release inspection was conducted by the Division of Reclamation, Mining and Safety (Division), the U.S. Department of Energy (DOE), and the U.S. Bureau of Land Management (BLM). Ed Cotter and Kyle Turley were present on behalf of the DOE, and Rob Ernst was present on behalf of the BLM. Race Fisher, representing the Operator, was also present during this inspection. Photographs are included with this report in order to illustrate some of the conditions observed.

The C-CM-24 prospecting site is located on Club Mesa, west of Uravan, and accessed from U-16 Road. The Division holds a \$100.00 financial warranty for this project. A \$5,000.00 bond was posted with DOE.

Eight boreholes were drilled during this project. According to the operator's final report groundwater was not encountered in any of the holes. The holes were backfilled with cuttings, plugged with expanding foam, and covered with native material prior to seeding. No signs of settling of any of the backfilled holes were observed. Vegetation on the disturbed areas was sparse, but is consistent with the surrounding area. No problems 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



CM-24-1: 38.37073, -108.77187



CM-24-2: 38.37128, -108.77177



CM-24-3: 38.37186, -108.77172



CM-24-4: 38.37176, -108.77092



CM-24-5: 38.37107, -108.77098



CM-24-6: 38.37238, -108.76696



CM-24-7: 38.37217, -108.76664



CM-24-8: 38.37220, -108.76642

Inspection Contact Address

Dick White
Energy Fuels Resources Inc.
225 Union Blvd. Suite 600
Lakewood, CO 80228

CC: Ed Cotter, DOE
Rob Ernst, BLM