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DOGM
MINERALS PROGRAM
FILE COPY

October 22, 1990

TO: File

FROM: D. Wayne Hedberg, Permit Supervisor DWH

RE: Site Inspection, B.M.T./Geneva Steel, Iron Mountain Mine & Comstock Mine, M/021/008 & M/021/005, Iron County, Utah

Inspection Date: October 17, 1990
Time: 7:30 - 11:00 a.m.
Attendees: Roy Benson (Geneva Steel), Wayne Hedberg (DOGM)
Weather: Cool and clear

This inspection was conducted to inspect the status of current mining operations at Geneva's Iron Mountain mine site and their related mining properties. Geneva has recently acquired the Comstock Mine and associated mining properties in the Pinto Mining District from C.F.& I. Steel Corporation. Mr. Benson hand-delivered a permit transfer application form, and a reclamation contract form to me, for Division processing, during my inspection. I gave Mr. Benson a draft review document of Geneva's latest permit revision application for the Iron Mountain permit and a copy of our self-bonding forms during the inspection.

Geneva has been leasing the Comstock property from CF&I for some time period now. At the time of my inspection, Geneva was completing removal of ore from the Mountain Lion Pit and was anticipating startup of overburden stripping and ore removal from the Comstock pit. These two pits are basically one in the same; the Mountain Lion pit is the northern half and the Comstock pit is the southern half of the mine excavation.

Mr. Benson indicated that there is approximately 25 millions tons of recoverable iron ore in the entire pit. At an average annual production of approximately 700,000 tons, this would yield another 35 1/2 years of mine life from this pit. The northern end of the pit has been mined significantly lower than the southern half. Geneva will now follow CF&I's approved mine development plan for the Comstock pit and commence mining of the southern end of the pit down to the present

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northern end level. It was Mr. Benson's opinion that it would be another 4-5 years before they would need to expand development in the north end again.

Upon inspection of the existing waste dumps adjacent to the Comstock pit, I asked Mr. Benson about the planned expansion of the dumps. I asked him if Geneva would be pre-stripping the native vegetation and stockpiling the topsoil from in front of the advancing toe of the dumps. He indicated that they did not have any pre-stripping plans, and would follow the approved CF&I permit in this regard. I informed him that the Division routinely required this of new mine operations and we may need to discuss this further after I had a chance to review the Comstock permit. Mr. Benson indicated that Geneva is planning on utilizing the series of "ant mounds" (stockpiled alluvial material) that presently exist in the area of the old backfilled Yellow Jacket pit upon reclamation of the dumps. The volume of this stockpiled material may not be sufficient to provide adequate cover to assure successful reclamation of the dumps.

I inspected the Iron Mountain cobbing and wet magnetic separation processing area next. I asked Mr. Benson if he had received the analyses of the sediment samples taken from the settling pond, as discussed during my last inspection. He indicated that sediment samples had not been taken. He would obtain samples if we could provide suggestions on where to have the samples analyzed and for what parameters. I indicated I would chat with our soil/revegetation specialist and get back to him with said information. It appeared that the fine sediments from these impoundments may have good potential for use as a soil substitute upon reclamation. Geneva is currently using these fines as a supplement for their haulroad base. Mr. Benson indicated that the wet magnetic separation circuit may soon be shut down for the season because of freezing weather.

We inspected the Chesapeak/Excelsior mine site next. This site has produced over 500,000 tons of iron ore thus far and Geneva is uncertain of the remaining extent of this deposit. However, Mr. Benson indicated he expected that this ore body and the adjacent Tip Top deposit would probably be exhausted within another 18 months. We discussed the wisdom of trying to consolidate all of Geneva's mining properties into one permit, given the short timeframe until the Chesapeak/Excelsior and Tip Top were mined out. I suggested that it might be more reasonable to separate the Iron Mountain permit from the Mountain Lion and Comstock properties.

The Tip Top mine area was inspected next. This area has recently been activated by Geneva. This is anticipated to be a smaller 3-4 acre mine disturbance consisting of a high grade iron ore deposit. The surface disturbance was visually

estimated at @1 1/2 acres during my inspection. The deposit has been partially developed and active drilling and associated excavation was being performed upon inspection of the site. Some ore has been hauled to and stockpiled at the Iron Mountain loadout area. This area is included in Geneva's more recent permit revision application to the Iron Mountain permit.

Upon completion of the inspection, Mr. Benson indicated that he had located some older aerial photos of the Iron Mountain and Comstock mine area in CF&I's file records. Unfortunately, he did not believe they would be suitable to meet the Division's previous mapping requests for this area. He indicated that they would need to have the entire area reflown and have new aerial photos and topographic maps prepared. I indicated that this was probably the best decision, as the Division would require that Geneva provide new maps as part of the ongoing permitting process. I informed Mr. Benson that I would try and provide a final draft of our Iron Mountain permit revision review letter to him within 7-10 days.

jb
cc: Minerals Staff
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