Arizona State Mine Inspector
JOE HART
1700 W. Washington Suite 403
Phoenix, Arizona 85007-2805
(602) 542-5971
Fax (602) 542-5335

January 5, 2015

Mr. Richard Stavneak, Director
Joint Legislative Budget Committee
1716 West Adams Street
Phoenix, Arizona 85007

Dear Director Stavneak:

In accordance with A.R.S. §27-131 (D, it is my pleasure to present to the Abandoned Mine Safety Fund (AMSF) Annual Report for FY2014.

Preliminary planning has been conducted on twenty-one priority mine site to be secured in FY2015. The estimated costs for these projects total nearly $43,100.00. Additional mine sites may be closed in FY2015 that are not listed. ASMI will be performing on-the-ground reconnaissance in the Quartzsite and other various areas; mines will be secured on a case-by-case basis when determined that a significant hazard exists for the public.

The Arizona State Mine Inspector's office will continue fencing, filling or gating mines to protect the public. In addition, we have identified other areas for intensive study and probable closure.

If you have any questions regarding this report, please feel free to contact me at 602-542-5971.

Sincerely,

Joe Hart

Joe Hart
Arizona State Mine Inspector

Abandoned Mine Safety Fund Annual Report

December 1, 2014

Statutory Authority: ARS §27-129: Locating abandoned mines

A. The state mine inspector shall establish a program to locate, inventory, classify and eliminate public safety hazards at abandoned mines …

In addition, ARS § 27-131: Abandoned mines safety fund; annual report

A. The abandoned mines safety fund is established consisting of:

1. Gifts, grants, and contributions specifically designated for the fund.
2. Monies that may be appropriated by the legislature to the fund to match the gifts, grants and contributions based on the preceding year's expenditure report required under subsection D of this section

B. The state mine inspector shall administer the fund. Monies in the fund are exempt from lapsing pursuant to section 35-190

C. Monies in the fund are continuously appropriated to the inspector to ensure public safety at abandoned mines on land owned by this state as provided by section 27-129. The inspector shall use monies in the fund to pay contractors for actual abatement costs to fill, fence or plug shafts and adits and not to pay administrative salaries and other costs. The inspector shall consult with the state land commissioner to identify and prioritize the abandoned mine sites on state lands to be considered for abatement.

D. Each year the inspector shall submit an annual report to the joint legislative budget committee on or before December 1 concerning the expenditure of monies from the fund and contributions to the fund during the preceding fiscal year. The report shall itemize each expense paid from the fund and shall describe the actions taken to ensure public safety.

Financial Statement:

The following is a summary of financial transactions during State Fiscal 2013 from the Abandoned Mine Safety Fund (Restricted)

Retricted fund balance $143, 793.86 Abandoned Mine Education and Training Program balance $9498.40

Activity	Amount	Closure	Entity
Beginning Balance	$153,292.26		Arizona State Mine Inspector
Funds Received July 1, 2013	$965.54		
Ending Balance June 30, 2014	$144,170.40		Purchased AML Education & Training Materials $10,087.40 (due to the donation specified by Tech Cominco these funds are to be utilized for the education and training for abandoned mine safety)

Financial Statement:

The following is a summary of financial transactions during State Fiscal 2013 from the Special Line Item Fund

Activity	Amount	Closure	Entity
Beginning Balance	$194,700.00		
			Arizona State Mine Inspector
Funds Received July 1, 2013	$0.00		
Ending Balance June 30, 2014	$18,722.02		See below for monies spent on abandoned mine projects for FY2014

The following is a summary of mine features secured on State Land during State Fiscal Year 2014: See attached scope of work for project closure details.

Mine Name	AZMIL#	Latitude Degrees	Latitude Minute	Latitude Seconds	Longitude Degrees	Longitude Minute	Longitude Seconds	County	Review	Perm Fill	Bat Gates	Fenced Signage	Signage	Ownership (surface)						Ownership (mineral)						Costs
														State	BLM	USF	NPS	Private	Other	State	BLM	USF	NPS	Private	Other	
Gold Bell #93-1	8S-9E-24-001	32	42	06.2	111	22	21.8	Pinal		X				X						X						$5,575.00
Gold Bell #93-2	8S-9E-24-002	32	43	06	111	22	23	Pinal		X				X						X						
MK19-E	5N-1W-22-005	33	45	18.30	112	21	26.10	Maricopa		X				X						X						$4,161.11
MK3-A	5N-1W-21-002	33	45	13.10	112	21	44.00	Maricopa		X				X						X						
MK3-B	5N-1W-21-003	33	45	34.2	112	21	48.30	Maricopa		X				X						X						
MK3-C	5N-1W-21-004	33	45	34.40	112	21	47.80	Maricopa		X				X						X						
MK3-D	5N-1W-21-005	33	45	34.60	112	21	47.30	Maricopa		X				X						X						
MK3-E	5N-1W-21-006	33	45	34.80	112	21	46.40	Maricopa		X				X						X						
MK3-F	5N-1W-21-007	33	45	33.40	112	21	49.50	Maricopa		X				X						X						
MK19-A	5N-1W-22-001	33	45	18.10	112	21	27.60	Maricopa		X				X						X						
MK19-C	5N-1W-22-003	33	45	18.30	112	21	26.70	Maricopa		X				X						X						
MK19-D	5N-1W-22-004	33	45	19.10	112	21	26.90	Maricopa		X				X						X						
MK19-G	5N-1W-22-007	33	45	18.60	112	21	25.40	Maricopa		X				X						X						
MK2-A	5N-1W-28-001	33	45	10.70	112	21	44.10	Maricopa		X				X						X						
MK19-H	5N-1W-22-008	33	45	18.90	112	21	23.30	Maricopa		X				X						X						
MK19-I	5N-1W-22-009	33	45	19.90	112	21	23.20	Maricopa		X				X						X						
MK19-K	5N-1W-22-011	33	45	17.20	112	21	17.20	Maricopa		X				X						X						

Mine Name	AZMIL#	Latitude Degrees	Latitude Minute	Latitude Seconds	Longitude Degrees	Longitude Minute	Longitude Seconds	County	Review	Perm Fill	Bat Gates	Fenced Signage	Signage	Ownership (surface)						Ownership (mineral)							Costs
														State	BLM	USF	NPS	Private	Other	State	BLM	USF	NPS	Private	Other		
MK2-J	5N-1W-28-010	33	45	8.50	112	21	36.80	Maricopa		X				X						X							
MK19-F	5N-1W-22-006	33	45	18.10	112	21	25.90	Maricopa		X				X						X							
Totals																										Sub-Total	$9,736.11
Personal Services																											$82,640.95
ERE																											$49,636.71
Motorpool																											$15,744.72
Meals/incidentals																											$7,575.28
Other Operating																											$10,644.21
Non Capital																											0
Professional & Ouside Services																											$9,736.11
Total Expenses:																										Totals	$175,977.98
																										Balance	18,722.02

Twenty-one mine features have been identified for closure in FY2015 on State managed lands in Arizona. The most significant types of mine hazard features are open shafts, adits, and stopes. These areas typically have high use for backcountry touring and off highway vehicle activities, rock hounding, and recreational mineral collection by winter visitors, or are located near populated areas. Remediation at key sites is guided by focused inventory assessments starting with those sites that are clustered in proximity to sites with high public exposure.

The following is a summary of mine features located on State Land for closure FY2015:*Additional work may be conducted that is not included in the list.*

Mine Name * = Closure completed	AZMIL#	Latitude Degrees	Latitude Minute	Latitude Seconds	Longitude Degrees	Longitude Minute	Longitude Seconds	County	Review	Perm Fill	Bat Gates	Fenced Signage	Signage	Ownership (mineral)						Ownership (surface)							Estimated Costs
														State	BLM	USF	NPS	Private	UNK	State	BLM	USF	NPS	Private	UNK		
182	7N-3W-02-003	33	58	33.2	112	32	22.7	Yavapai				1		1						1							$400.00
MK140A	20S-10E-35-012	31	38	55.4	111	17	03.9	Pima			1			1						1							$1,000.00
111	8N-3W-29-001	34	0	2.5	112	35	57	Yavapai			1				1					1							$6,000.00
16	8N-3W-02-005	34	3	26	112	32	1.4	Yavapai			1			1						1							$6,000.00
MK12-C	7N-2E-29-006	33	55	11.6	112	10	19.7	Maricopa		1				1						1							$200.00
MK12-B	7N-2E-29-001	33	55	10.09	112	10	20.7	Maricopa		1				1						1							$2,000.00
Above New Jersey	23N-18W-02-027	35	25	0.37	114	10	22.96	Mohave		1				1						1							$9,500.00
Point of Hill *heavy rec traffic	23N-18W-02-031	35	24	43	114	10	49	Mohave		1				1						1							$3,000.00
MK9-A	8N-5W-02-001	34	3	30.8	112	45	13.6	Yavapai		1				1						1							$200.00
MK9-B	8N-5W-02-002	34	3	31.4	112	45	13.6	Yavapai		1				1						1							$200.00
MK9-C	8N-5W-02-003	34	3	30.3	112	45	11.7	Yavapai		1				1						1							$200.00
MK9-E	8N-5W-02-004	34	3	30.4	112	45	13.8	Yavapai		1				1						1							$1,500.00
Sonoita MK4-A wildlife assessment required	17S-16E-25-006	31	55	24.8	110	39	34.2	Pima		1				1						1							$1,500.00
Sonoita MK4-B wildlife assessment required	17S-16E-25-007	31	55	24.4	110	39	35.2	Pima		1				1						1							$1,500.00
Sonoita MK4-C wildlife assessment required	17S-16E-25-008	31	55	25.8	110	39	34.3	Pima			1			1						1							$1,500.00
Sonoita MK4-F wildlife assessment required	17S-16E-25-011	31	55	26.9	110	39	35.7	Pima		1				1						1							$1,500.00
Sonoita MK3-C wildlife assessment required	17S-16E-12-005	31	57	48.6	110	39	32.3	Pima		1				1						1							800.00
Sonoita MK3-D wildlife assessment required	17S-16E-12-006	31	57	48.9	110	39	32.6	Pima		1				1						1							1,200.00
Sonoita MK3-E wildlife assessment required	17S-16E-12-007	31	57	048	110	39	33.2	Pima		1				1						1							900.00
5N-6W-02 #220	5N-6W-02-002	33	48	016	112	51	36.4	Maricopa		1				1							1						$2,000.00

Mine Name	AZMIL#	Latitude Degrees	Latitude Minute	Latitude Seconds	Longitude Degrees	Longitude Minute	Longitude Seconds	County	Review	Perm Fill	Bat Gates	Fenced Signage	Signage	Ownership (surface)						Ownership (mineral)						Costs
														State	BLM	USF	NPS	Private	Other	State	BLM	USF	NPS	Private	Other	
5N-6W-02 #224	5N-6W-02-004	33	48	014	112	51	37.8	Maricopa		1				1							1					$2,000.00
																									Estimated Totals	$43,100.00

The Arizona State Mine Inspector's ability to accomplish this workload will be based on level of funding. We believe we have made significant progress in the last year in establishing AML teams that are poised to accomplish the work, in raising the awareness internally and externally of the importance of the AML program to public health and safety, and in garnering other agency management support to move forward with this strategy.

Abandoned Mine Safety Fund Annual Report FY14

Persuant to A.R.S §27-131D

*Beginning Balance:	153,292.26
Revenue:	965.54
Expenditures:	10,087.40
Ending Balance:	144,170.40

*** Restricted fund balance $143,793.86** **Abandoned Mine Education and Training Program balance $9498.40**

Abandoned Mine Closure (paid with restricted money) Fund

Funds available	154,257.80
Other Operating Expenses	9,487.40
Operating Transdfer Out	600.00
Total Expenses:	10,087.40
Remaining Balance:	**144,170.40**

Abandoned Mine Closure (paid with special line item monies) General Fund

Appropriation Special Line:	194,700.00
Personnel Services	82,640.95
ERE	49,636.71
Motorpool	15,744.72
Meals / Incidentals	7,575.28
Professional & Outside Services	9,736.11
Abandoned Mine Closures (list below)	
Other Operating Expenses	10,644.21
Non Capital	-
Total Expenses:	175,977.98
Remaining Balance:	**18,722.02**

Abandoned Mine Closure FY2014

ADSPO14-00162417	Gold Bell Abandoned Mine	5,575.00
ADSPO14-00200532	Maricopa County	4,161.11
	Total	**9,736.11**

Arizona State Mine Inspector's Office

Scope of Work

Gold Bell Mine Complex

Prepared: Jerry L. Tyra

ADSPO14-00162417

5001-2014

Locations and Descriptions – The Statement of Work, as described by the State Mine Inspectors Office, encompasses the filling of 2 shafts located in Pinal County.

Accurate legal descriptions of the features to be filled T8S R9E Section 24.

- Gold Bell # 93-1 @ 32* 43' 06.2'' N 111* 22' 21.8'' W. Is a shaft 10X15X30' to a pile of timbers & rocks

- Gold Bell # 93-2 @ 32* 43' 06''N 111* 22' 23'' W. Is a prospect 10X12X10'

Recommendation: Feature Gold Bell # 93-1 was visited by ADMMR & the claimant in 1976. The claimant reported the workings were 300' deep with several hundred feet of drifting. ADMMR's observation of the waste dump disputes the measurements.

*****Care needs to be taken to see if the shaft is bridged over @ 30'.**

Note: a license class of A-5 Excavating, grading and oil surfacing, A-E General Engineering or K-A Dual Engineering.

The site is accessible by 2WD.

Tasks – Based on the information provided by the State Mine Inspectors Office, there are 2 features to be filled. Sites will be identified using GPS. Project site will be managed using a Health and Safety Plan (HASP) that is custom-tailored for this mine project. Although the size of the project is not large enough to require a dust permit, dust control measures will be taken to ensure minimal dust generation.

The HASP will be developed for the site-specific conditions for the project for implementation by the project manager and all on-site staff. The HASP will be OSHA compliant and will include the following: "health and safety policies, key personnel health and safety responsibilities, employee responsibilities, personal protective equipment, standard work practices, medical monitoring, exposure monitoring, health and safety program documentation and the personnel training program. The HASP will be submitted to the State Mine Inspectors Office for review prior to implementation.

Reports - The contractor will supply hardcopy and/or electronic deliverable material, depending on the preference of the State Mine Inspectors Office. Draft closure reports will

be prepared and submitted to the contracting officer for review and approval prior to issuance of final deliverables. Photographs of the site before commencement of work activities, during the activities, and after the completion of activities will be included in the closure report for visual comparisons and documentation.
Schedule – It is anticipated that the field work can be completed in approximately 2 business days.

Contractor requirements:

i. Contractor is responsible for furnishing all of the equipment, labor, materials, services, time frame, expectations of the job and supervision to complete the closure of the abandoned mine(s) along with any other items that you feel are vital to the bid/quote.

ii. Contractor is responsible for providing the required insurance that is required by the State of Arizona which includes a minimum scope and limit of insurance (which will be stated on the contract), automobile liability, worker's compensation and employer's liability and additional insurance requirements that will be state on the contract.

iii. Provide proof of the verification of coverage for the insurance as stated when the contract is awarded and prior to execution of project.

6. **Inspector and Contractor meeting (onsite).**
Date: December 2, 2013
Time: 10:00 A.M.
Place: Dairy Queen at the Picacho Peak State Park exit on Interstate 10

Note: If your company plans on bidding on the project, please send an email to jtyra@asmi.az.gov and lswartzbaugh@asmi.az.gov

Abandoned Mine Supervisor:
Jerry L. Tyra
Telephone: 520-237-2373

Bid date open: November 12, 2013
Bid date closing: December 10, 2013

Bid must be entered into Procure AZ and mailed, faxed or hand-delivered on or before 5:00 PM close of business, (no exceptions) on the bid closing date.

Arizona State Mine Inspector Office.
1700 W Washington St. Suite 403.
Phoenix AZ 85007
Fax-602-542-5971

Arizona State Mine Inspector's Office
Scope of Work
MI5002-2014
ADSPO14-00200532
Prepared: Tom White

Locations and Descriptions – The Statement of Work, as described by the State Mine Inspectors Office, encompasses the backfilling of seventeen mine sites located in Maricopa County, Arizona.

Mine sites are located at:

1. 5N-1W-21-002 MK3-A	33* 45' 13.1"-112* 21' 44.0"	Site is a shaft 11x12x32' deep.
2. 5N-1W-21-003 MK3-B	33* 45' 34.2"-112* 21' 48.3"	Site is a shaft 12x12x31' deep.
3. 5N-1W-21-004 MK3-C	33* 45' 34.4"-112* 21' 47.8"	Site is a shaft 9x7x11' deep.
4. 5N-1W-21-005 MK3-D	33* 45' 34.6"-112* 21' 47.3"	Site is a pit\decline 21x20x8' deep.
5. 5N-1W-21-006 MK3-E	33* 45' 34.8"-112* 21' 46.4"	Site is a pit\decline 21x20x8' deep.
6. 5N-1W-21-007 MK3-F	33* 45' 33.4"-112* 21' 49.5"	Site is a Trench 33x16x4'Highwall.
7. 5N-1W-22-001 MK19-A	33* 45' 18.1"-112* 21' 27.6"	Site is a shaft 1x10.5x7'deep.
8. 5N-1W-22-003 MK19-C	33* 45' 18.3"-112* 21' 26.7"	Site is a decline 18X13X25'deep.
9. 5N-1W-22-004 MK19-D	33* 45' 19.1"-112* 21' 26.9"	Site is a decline 9x9x10'deep.
10. 5N-1W-22-005 MK19-E	33* 45' 18.3"-112* 21' 26.1"	Site is a shaft 15X14X10'deep.
11. 5N-1W-22-006 MK19-F	33* 45' 18.1"-112* 21' 25.9"	Site is a prospect10x9x5'deep.
12. 5N-1W-22-007 MK19-G	33* 45' 18.6"-112* 21' 25.4"	Site is a shaft 10x8x8'deep.
13. 5N-1W-22-008 MK19-H	33* 45' 18.9"-112* 21' 23.3"	Site is a shaft 9x6x8'deep.
14. 5N-1W-22-009 MK19-I	33* 45' 19.9"-112* 21' 23.2"	Site is a prospect 8x7x6'deep.
15. 5N-1W-22-011 MK19-K	33* 45' 17.2"-112* 21' 17.2"	Site is a shaft 12x11x8'deep.
16. 5N-1W-28- 001 MK2-A	33* 45' 10.7"-112* 21' 44.1"	Site is a prospect 14.5x10x6' deep.
17. 5N-1W-28-010 MK2-J	33* 45' 08.5"-112* 21' 36.8"	Site is a shaft 10x6x6.5' deep.

May 7, 2014

Tasks – Based on the information provided by the State Mine Inspectors Office, there are 9 Shafts, 4 declines, 1 trench and 3 prospects located in Maricopa County, Arizona that will be backfilled. Sites will be identified using GPS. Each project site will be managed using a Health and Safety Plan (HASP) that is custom-tailored for this mine project. Although the size of each mine shaft project is not large enough to require a dust permit, dust control measures will be taken to ensure minimal dust generation.

All sites will be filled with on-site fill materials whenever possible. Any necessary imported fill material shall be inert. All mine debris, old fencing, wood or metal will be disposed of in an appropriate manner. In some cases access to sites will be cross country with 1 trip in and 1 trip out any damage done on the way in will be repaired on the way out.

All sites will be left in a natural state.

The HASP will be developed for the site-specific conditions for these mine site projects for implementation by the project manager and all on-site staff. The HASP will be OSHA compliant and will include the following: "health and safety policies, key personnel health and safety responsibilities, employee responsibilities, personal protective equipment, standard work practices, medical monitoring, exposure monitoring, health and safety program documentation and the personnel training program. The HASP will be submitted to the State Mine Inspectors Office for review prior to implementation.

Reports - The contractor will supply hardcopy and/or electronic deliverable material, depending on the preference of the State Mine Inspectors Office. Draft closure reports will be prepared and submitted to the contracting officer for review and approval prior to issuance of final deliverables. Photographs of the site before commencement of work activities, during the activities, and after the completion of activities will be included in the closure report for visual comparisons and documentation.

Schedule – It is anticipated that the field work can be completed in approximately (5) business days. All documents shall be submitted to ASMI's office within 10 business days of completion on project.

Contractor requirements:

i. Contractor is responsible for furnishing all of the equipment, labor, materials, services, time frame, expectations of the job and supervision to complete the closure of the abandoned mine(s) along with any other items that you feel are vital to the bid/quote.

ii. Contractor is responsible for providing the required insurance that is required by the State of Arizona which includes a minimum scope and limit of insurance (which will be stated in contract), automobile liability, worker's compensation and employer's liability and additional insurance requirements that will be state on the contract.

iii. Provide proof of the verification of coverage for the insurance as stated when the contract is awarded and prior to execution of project.

6. <u>Inspector and Contractor meeting (on-site):</u>

   Date: May 14, 2014
   Time: 8:00 am
   Place: North 163 Avenue and west Peak View Road; Drive 4.2 miles from Grand Avenue and north 163Ave.

***Note:** Please notify Tom White if your company is going to attend the onsite bid.

May 7, 2014

Abandoned Mine Supervisor:
Tom White
Telephone: 602-319-0031

7. Bid date open: May 7, 2014
   Bid date closing: May 23, 2014

8. Mail bid to:
   Arizona State Mine Inspector Office.
   1700 W Washington St. Suite 403.
   Phoenix AZ 85007
   Fax-602-542-5971

9. Bid must be received by ASMI on or before May 23, 2014 by 5:00 pm close of business, no exceptions.

May 7, 2014