


**COLORADO**Division of Reclamation,  
Mining and Safety

Department of Natural Resources

**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><br>Golden Wonder Mine    | <b>MINE/PROSPECTING ID#:</b><br>M-1978-091-UG  | <b>MINERAL:</b><br>Gold                                       | <b>COUNTY:</b><br>Hinsdale  |
| <b>INSPECTION TYPE:</b><br>Monitoring      | <b>INSPECTOR(S):</b><br>Travis H. Marshall     | <b>INSP. DATE:</b><br>September 19, 2017                      | <b>INSP. TIME:</b><br>10:00 |
| <b>OPERATOR:</b><br>LKA International Inc. | <b>OPERATOR REPRESENTATIVE:</b><br>Kye Abraham | <b>TYPE OF OPERATION:</b><br>110d - Designated Limited Impact |                             |

|   |  |  |
|---|--|--|
| <b>REASON FOR INSPECTION:</b><br>Normal I&E Program | <b>BOND CALCULATION TYPE:</b><br>Complete Bond   | <b>BOND AMOUNT:</b><br>\$100,042.00        |
| <b>DATE OF COMPLAINT:</b><br>NA                     | <b>POST INSP. CONTACTS:</b><br>None  | <b>JOINT INSP. AGENCY:</b><br>None         |
| <b>WEATHER:</b><br>Clear                            | <b>INSPECTOR'S SIGNATURE:</b><br> | <b>SIGNATURE DATE:</b><br>October 25, 2017 |

**The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.**

**INSPECTION TOPIC:** Signs & Markers

**PROBLEM/POSSIBLE VIOLATION:** Problem: The mine identification sign was not posted at the entrance of the mine site. This is a problem for failure to post a mine identification sign as required by Section 3.1.12(1) of the rule.

**CORRECTIVE ACTIONS:** The operator shall, at the entrance of the mine site, post a sign which shall be clearly visible from the access road with the following: the name of the operator, a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and the permit number. The operator shall submit photo documentation that a proper sign has been posted by the corrective action date.

**CORRECTIVE ACTION DUE DATE:** 11/30/17

### **OBSERVATIONS**

This inspection was conducted as part of the normal monitoring program established by the Colorado Division of Reclamation Mining and Safety (Division). The Golden Wonder Mine Operation is an active 110d underground mine. The commodity mined is gold. The mine currently consists of 3.5 permitted acres. The Golden Wonder Mine operation is located approximately 2.5 miles southeast of Lake City Colorado. LKA International Inc. mine manager Kye Abraham and Dan Quigley with DOWL were present during the inspection. Division staff on site included Travis Marshall, Tony Waldron and Russ Means.

The mine identification sign was not observed at the entrance to the mine site and is not in compliance with Rule 3.1.12. This is noted as a problem and the operator must provide photo documentation that demonstrates a sign has been placed at the main entrance no later than the corrective action date of November 30, 2017.

The main focus of the inspection was to observe the current configuration of the proposed water treatment system that was approved under technical revision no. 3.

No active mining was observed during the inspection. A mini excavator was observed replacing limestone with metal slag at the toe of the mine dump. An orange colored mine water discharge was observed exiting the portal which was observed during prior inspections. The discharge was collected into piping that directed the water into the passive metal slag treatment system. The flow is still estimated to be 0.1 gpm. The treatment system was near a final configuration during the inspection. The operator may need to change minor components of the current configuration to adjust residence time of water in the system to obtain desired water quality parameters. If any major changes to the system occur the operator must submit a new technical revision and gain Division approval. Division staff has not received results of the mine discharge water to date. **Please provide water quality results within 30 days to avoid potential enforcement action.**

Miscellaneous mining debris / trash was observed along the eastern portion of the mine bench. The materials appeared disorganized and out of place. The conditions observed are not considered problem but poor housekeeping and is noted in this inspection report to be used as a tool to monitor future site conditions.

In an effort to ensure the financial warranty remains adequate to reclaim this site per the requirements of the approved reclamation plan, DRMS will update the reclamation cost estimate. The estimate will be forwarded to the operator under separate cover after receiving an updated survey of the Una pit.

Photos that show the conditions observed during the inspection are included with this report.

Responses to this inspection report should be directed to Travis Marshall at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 South 3<sup>rd</sup> Street, Room 301, Grand Junction, Colorado 81501, phone no. (970) 241-2042.



**PHOTOGRAPHS**











### GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

|   |  |                                  |
|---|--|----------------------------------|
| (AR) RECORDS----- <u>Y</u>                  | (FN) FINANCIAL WARRANTY----- <u>Y</u>    | (RD) ROADS----- <u>Y</u>         |
| (HB) HYDROLOGIC BALANCE----- <u>Y</u>       | (BG) BACKFILL & GRADING----- <u>Y</u>    | (EX) EXPLOSIVES----- <u>NA</u>   |
| (PW) PROCESSING WASTE/TAILING---- <u>NA</u> | (SF) PROCESSING FACILITIES----- <u>Y</u> | (TS) TOPSOIL----- <u>Y</u>       |
| (MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>    | (FW) FISH & WILDLIFE----- <u>Y</u>       | (RV) REVEGETATION---- <u>NA</u>  |
| (SM) SIGNS AND MARKERS----- <u>PB</u>       | (SP) STORM WATER MGT PLAN---- <u>NA</u>  | (CI) COMPLETE INSP---- <u>N</u>  |
| (ES) OVERBURDEN/DEV. WASTE----- <u>NA</u>   | (SC) EROSION/SEDIMENTATION--- <u>Y</u>   | (RS) RECL PLAN/COMP-- <u>NA</u>  |
| (AT) ACID OR TOXIC MATERIALS----- <u>N</u>  | (OD) OFF-SITE DAMAGE----- <u>Y</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

**Inspection Contact Address**

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