




**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> Cresson Project	<b>MINE/PROSPECTING ID#:</b> M-1980-244	<b>MINERAL:</b> Gold	<b>COUNTY:</b> Teller
<b>INSPECTION TYPE:</b> Aerial Inspection	<b>INSPECTOR(S):</b> Timothy A. Cazier	<b>INSP. DATE:</b> January 16, 2018	<b>INSP. TIME:</b> 15:20
<b>OPERATOR:</b> Cripple Creek & Victor Gold Mining Company	<b>OPERATOR REPRESENTATIVE:</b> N/A	<b>TYPE OF OPERATION:</b> 112d-3 - Designated Mining Operation	
<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> None	<b>BOND AMOUNT:</b> \$207,828,54.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None	
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> January 18, 2018	

**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>N</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>Y</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>N</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</u>	(OD) OFF-SITE DAMAGE----- <u>Y</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 was an aerial photo inspection of the Cresson Project conducted by Tim Cazier of the Colorado Division of Reclamation, Mining and Safety (Division) based on aerial photographs taken by the Division. No operator was present during the inspection. The site is a 112d-3 gold mine located between Cripple Creek and Victor in Teller County.

The aerial photos were taken on January 16, 2018. The purpose of the inspection was to provide the Division a broad perspective that cannot be obtained from the ground and to document changes in areas of the mine experiencing rapid change. The Division expects to perform aerial inspections quarterly.

The following table summarizes the attached photos:

Photo ID	Mine Facility	Perspective	Notes
Photo 1	Wildhorse Extension Pit (WHEX)	Looking SE	Teller County Road 82 on left
Photo 2	North Cresson pit (future)	Looking SE	Squaw Gulch OSA beyond
Photo 3	East Cresson OSA (ECOSA)	Looking west	Altman backfill in background
Photo 4	South Cresson	Looking west	Arequa Gulch VLF beyond
Photo 5	Main Cresson Pit	Looking NW	Note pit backfills on both west and east sides
Photo 6	ADR 1	Looking west	Arequa Gulch VLF on right
Photo 7	Arequa Gulch VLF	Looking NW	Crusher area on right
Photo 8	High Grade Mill building	Looking NW	SGVLF left beyond, AGVLF on left
Photo 9	Squaw Gulch VLF	Looking SE	Mill beyond
Photo 10	ADR 2	Looking NE	Squaw Gulch VLF on right, AGVLF in foreground
<u>Acronyms:</u>		PSSA – Pregnant Solution Storage Area	
ADR – Adsorption/desorption Recovery		OSA – overburden storage area	
PSES – Process Solution Enhancement System		VLF – valley leach facility	

No problems were observed.



**PHOTOGRAPHS**



Photo 1. Wildhorse Extension Pit (Looking SE).



Photo 2. North Cresson (future, Looking SE).



**PHOTOGRAPHS (cont.)**



Photo 3. East Cresson OSA (looking west).

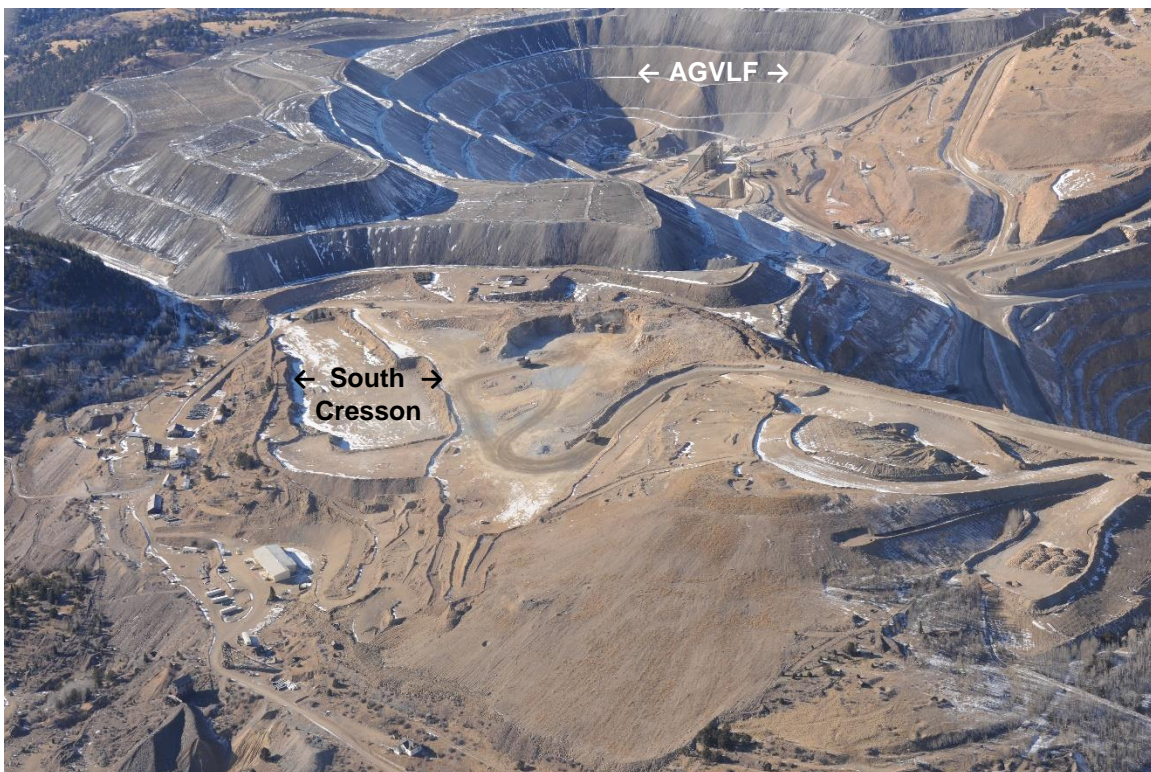


Photo 4. South Cresson (looking west).



**PHOTOGRAPHS (cont.)**

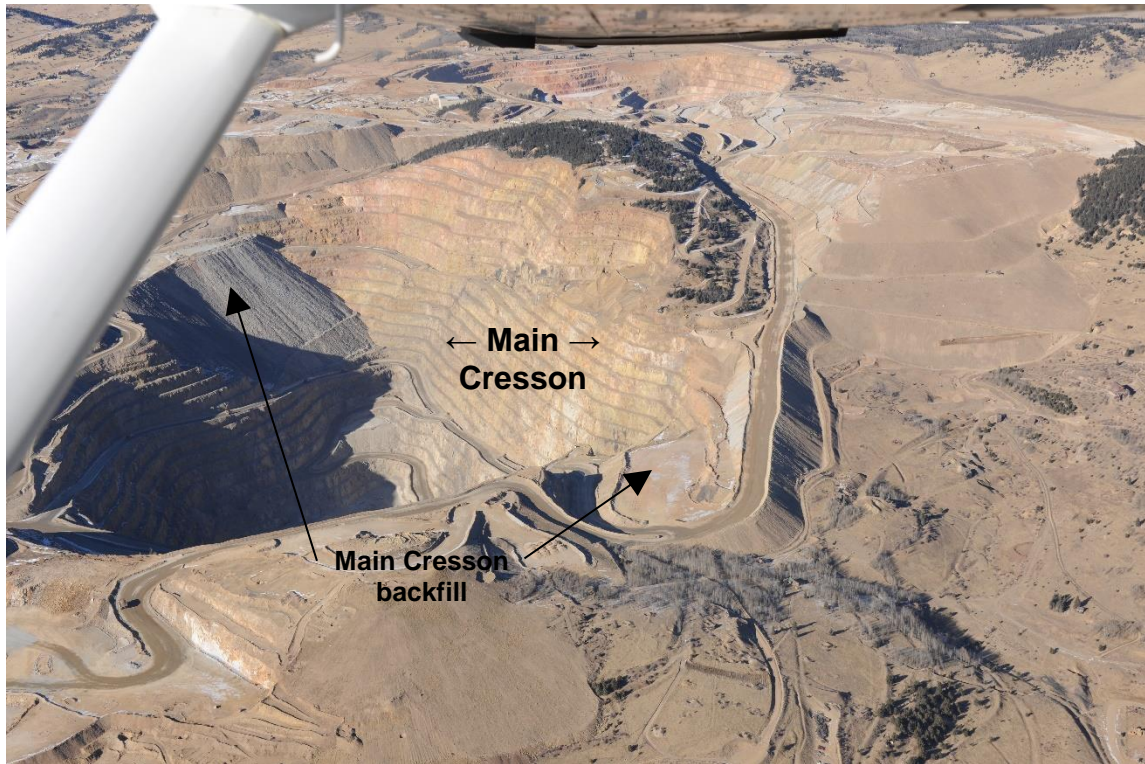


Photo 5. Main Cresson Pit (looking NW).



Photo 6. ADR 1 (looking west).



**PHOTOGRAPHS (cont.)**



Photo 7. Arequa Gulch VLF (looking NW).



Photo 8. Mill building between SGVLF & AGVLF (Looking NW).



**PHOTOGRAPHS (cont.)**

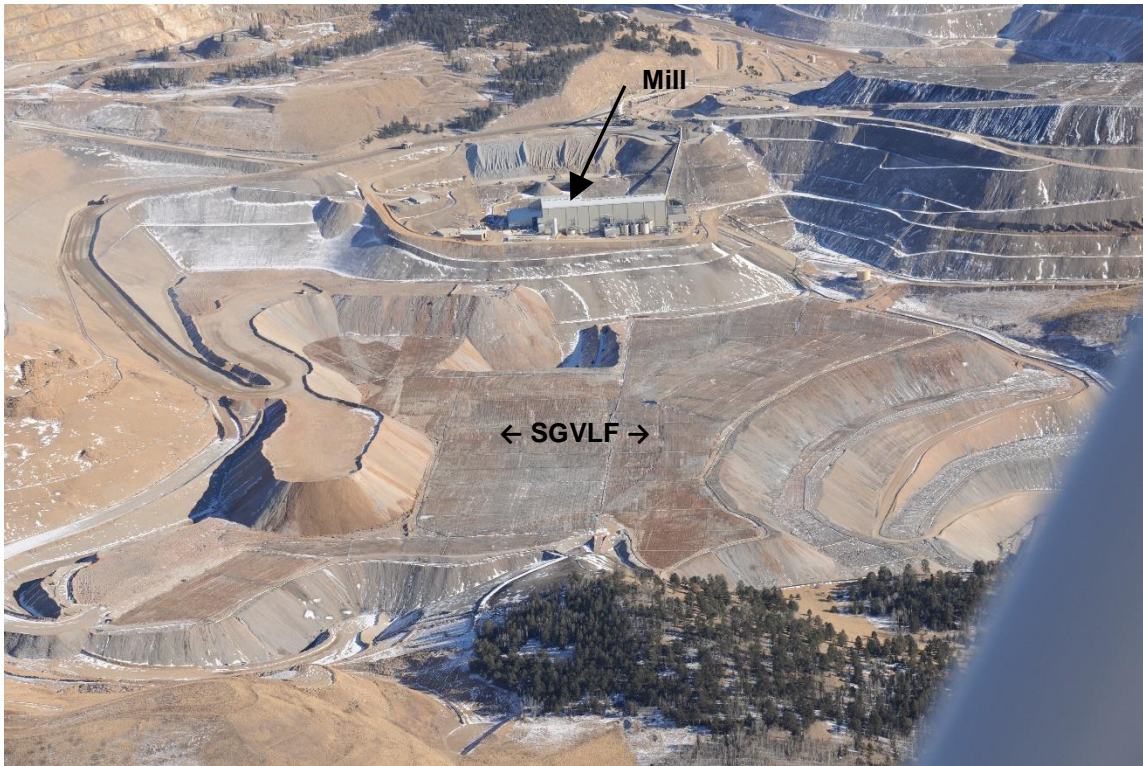


Photo 9. Squaw Gulch VLF (Looking SE).

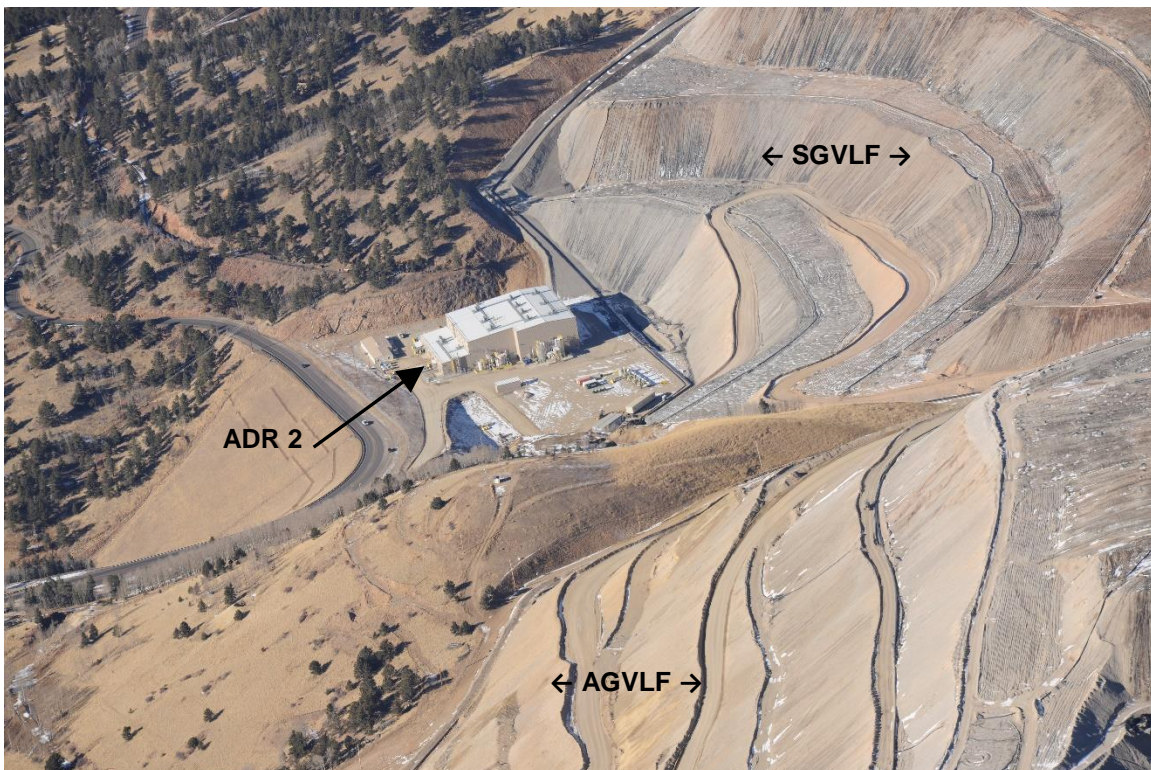


Photo 10. ADR 2 (looking NE).

**Inspection Contact Address**

Mike Eiselein  
Cripple Creek & Victor Gold Mining Company  
P. O. Box 191  
Victor, CO 80860

EC: Elliott Russell, DRMS  
Amy Eschberger, DRMS  
DRMS file  
Meg Burt, CC&V