




**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> Monitoring	<b>INSPECTOR(S):</b> Timothy A. Cazier	<b>INSP. DATE:</b> June 11, 2018	<b>INSP. TIME:</b> 12:40
<b>OPERATOR:</b> Cripple Creek & Victor Gold Mining Company	<b>OPERATOR REPRESENTATIVE:</b> Justin Bills	<b>TYPE OF OPERATION:</b> 112d-3 - Designated Mining Operation	
<b>REASON FOR INSPECTION:</b> Priority	<b>BOND CALCULATION TYPE:</b> None	<b>BOND AMOUNT:</b> \$208,491,188.00	
<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> September 7, 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>N</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>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</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>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <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**

The Division conducted a priority monitoring inspection of the site on June 11, 2018. Mr. Justin Bills represented CC&V during the inspection. Tim Cazier represented the Division. The purpose of this inspection was to observe the liner repair progress in the Squaw Gulch Valley Leach Facility (SGVLF, a.k.a. VLF 2) slide area.

### **Site Inspection:**

Squaw Gulch Valley Leach Facility (VLF 2) Slide Area: Progress and plans for verifying the extent of the liner damage were discussed with Ames Construction representatives (Ben and Kevin). All but the very bottom (near the 9650 elevation, **Photo 1**) of the damaged geomembrane had been exposed (**Photo 2**). In addition, DCF had been removed from the geomembrane above the slide area below both the 9950 and 9850 benches (**Photo 3**). Ames personnel were observed checking the soil liner fill (SLF/"clay") thickness (**Photo 4**) below the 9750 bench on a 50-foot grid marked with orange paint (**Photo 5**). Ames representatives indicated the SLF thickness exceeded the required 12-inch minimum thickness at all locations checked at the time of the inspection. Kevin stated the exposed SLF was well compacted and very moist to point of near saturation and that the SLF was being watered daily to keep the moisture optimal. Ames used an excavator mounted roller compactor (**Photo 6**) to work the SLF on a daily basis. The Division observed the SLF near the 9650 bench where it appeared to be in good condition (**Photo 7**).

Ames representatives explained they intended to remove all the damaged geomembrane panels between the 9750 and 9650 benches, plus two panels on either side of the damaged panels. The third geomembrane panel on either side of the damaged area would remain. New panels were to be installed to replace the damaged panels and the two adjoining panels slated for removal. The plan was to start cutting away these panels on the day following the inspection.

Please contact Tim Cazier (303-866-3567, ext. 8169) if you have any questions regarding this report.

## PHOTOGRAPHS



Photo 1. Bottom of VLF 2 liner damage still being uncovered (near 9650 bench).



Photo 2. Extent of VLF 2 liner damage, zoomed in.



**PHOTOGRAPHS (cont.)**

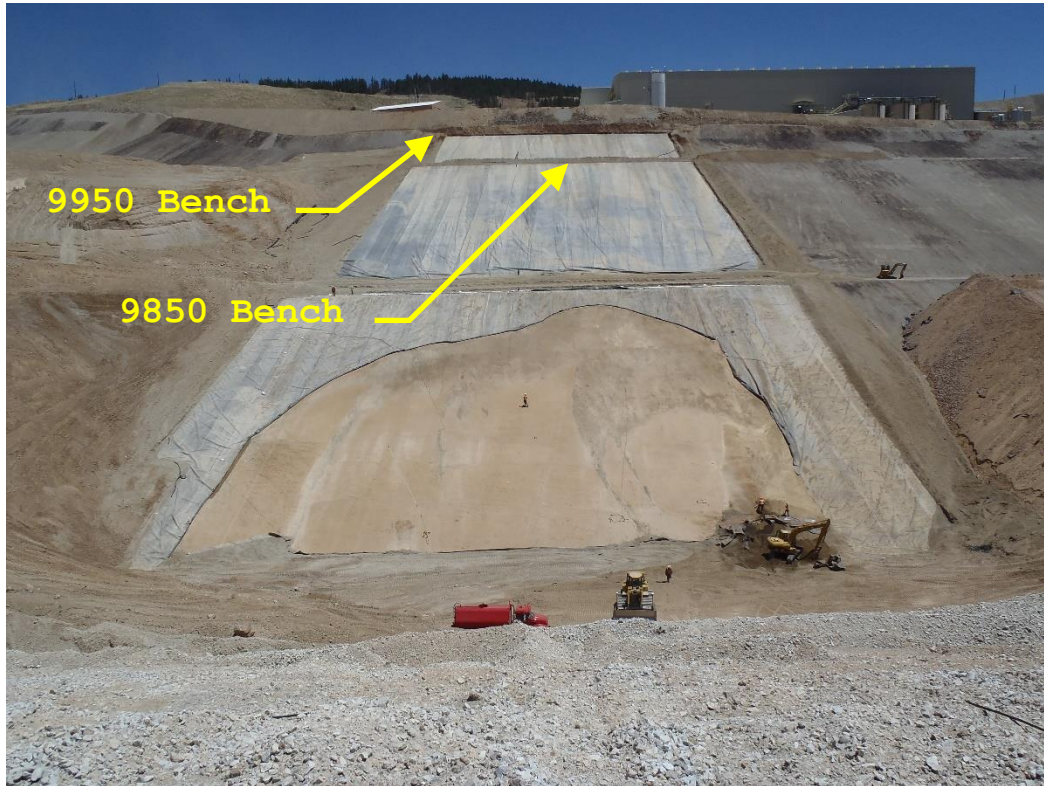


Photo 3. DCF removed from geomembrane above the slide area below both the 9950 and 9850 benches.



Photo 4. Checking soil liner fill (SLF/"clay") thickness.



**PHOTOGRAPHS (cont.)**



Photo 5. Orange paint marking a sample point on a 50-ft grid.



Photo 6. Excavator mounted roller compactor.

**PHOTOGRAPHS (cont.)**

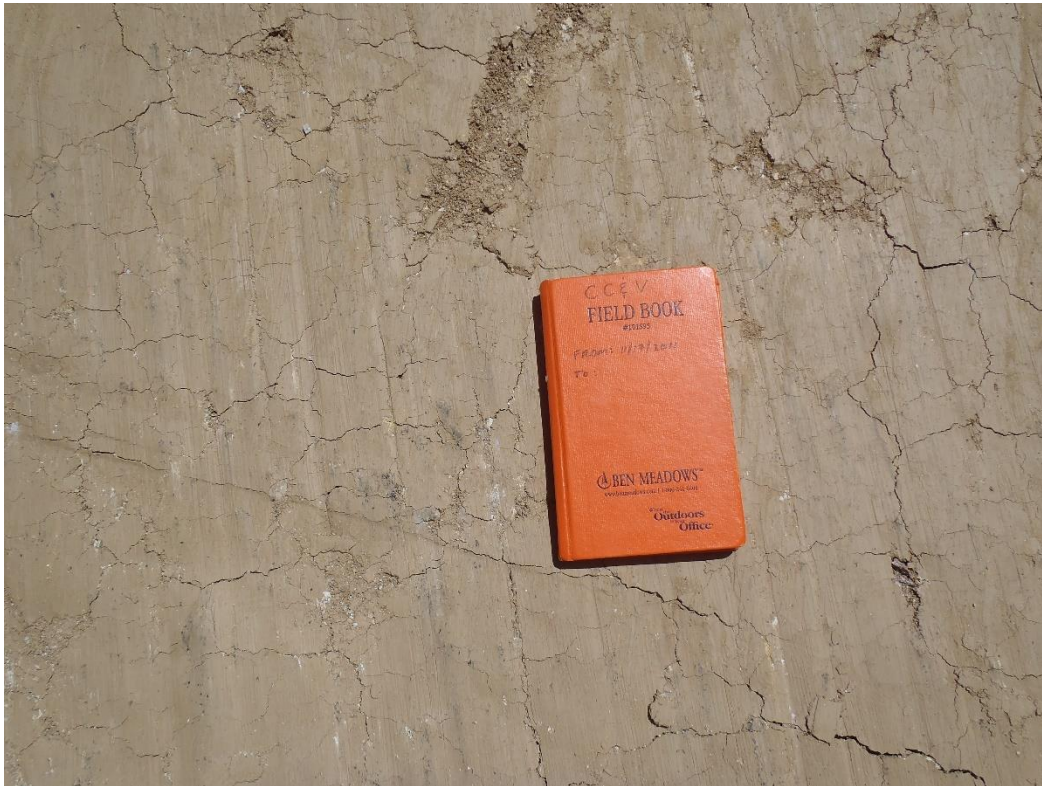


Photo 7. SLF surface near 9650 bench.

**Inspection Contact Address**

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