



# 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>Cash & Who Do Mines            | <b>MINE/PROSPECTING ID#:</b><br>M-1983-141   | <b>MINERAL:</b><br>Gold and silver                             | <b>COUNTY:</b><br>Boulder   |
| <b>INSPECTION TYPE:</b><br>Monitoring               | <b>INSPECTOR(S):</b><br>Amy Eschberger   | <b>INSP. DATE:</b><br>August 9, 2018                           | <b>INSP. TIME:</b><br>12:15 |
| <b>OPERATOR:</b><br>Colorado Milling Company, LLC   | <b>OPERATOR REPRESENTATIVE:</b><br>Chris Voorhees  | <b>TYPE OF OPERATION:</b><br>110(2) - Hard Rock Limited Impact |                             |
| <b>REASON FOR INSPECTION:</b><br>Normal I&E Program | <b>BOND CALCULATION TYPE:</b><br>None  | <b>BOND AMOUNT:</b><br>\$216,200.00                            |                             |
| <b>DATE OF COMPLAINT:</b><br>NA                     | <b>POST INSP. CONTACTS:</b><br>Stephanie Carter, Amber Sanderson   | <b>JOINT INSP. AGENCY:</b><br>U.S.BLM                          |                             |
| <b>WEATHER:</b><br>Clear                            | <b>INSPECTOR'S SIGNATURE:</b><br> | <b>SIGNATURE DATE:</b><br>September 12, 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>Y</u>                 | (FN) FINANCIAL WARRANTY----- <u>N</u>    | (RD) ROADS----- <u>Y</u>        |
| (HB) HYDROLOGIC BALANCE----- <u>N</u>      | (BG) BACKFILL & GRADING----- <u>N</u>    | (EX) EXPLOSIVES----- <u>N</u>   |
| (PW) PROCESSING WASTE/TAILING---- <u>Y</u> | (SF) PROCESSING FACILITIES----- <u>N</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>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**

This was a partial inspection of the Cash & Who Do Mines (Permit No. M-1983-141) conducted by Amy Eschberger of the Division of Reclamation, Mining and Safety (Division) in conjunction with Stephanie Carter and Amber Sanderson of the Bureau of Land Management (BLM). The operator was represented by Chris Voorhees during the inspection. The site is located approximately 10 miles northwest of Boulder, Colorado. The site can be accessed from the south off of Gold Run Road, or from the north by passing through the operator's other permitted mine site, Gold Hill Mill (Permit No. M-1994-117). **Photos 1-6** taken during the inspection are included with the report.

This is a 110(2) underground mining operation permitted for 9.83 acres to mine gold and silver ore. The permit area is split into three areas including the Mount Royale Adit area, the Cash Mine area, and the Who Do Mine area. Ore mined from this operation is hauled up Cash Gulch to the Gold Hill Mill for processing. The approved post-mining land use for the site is forestry. The affected land consists of several patented mining claims owned by Colorado Milling Company, LLC and some unpatented claims managed by the BLM. The permit has been in Temporary Cessation since 2013, and returned to Active status on June 13, 2018 (after the 5-year Temporary Cessation term expired). However, the site remains under a Temporary Suspension issued by the BLM on April 3, 2013, which restricts all mining activities until a Plan of Operations has been approved by their office. According to the BLM, the operator submitted a Plan of Operations to their office on June 13, 2017, but has not yet provided the additional information required for approval. Therefore, the operator is not authorized to commence with operations at this time. According to the operator, once they are authorized to recommence with operations, the mine could stay active for some time by hauling material from the existing mine dumps up to the mill for processing. The operator has indicated it could be a while before the operation is able to continue underground mining activities at the site.

This inspection was limited to observations of the Mount Royale Adit area (see enclosed Google Earth image) which includes the main ore bin/loadout, waste rock dumps, the Mount Royale No. 1 Adit, and a small sediment pond located below the mine portal (on top of the waste rock pile; approximately 35 feet from the portal). The Division observed the Mount Royale No. 1 adit to be discharging water at approximately the same rate as observed during the Division's last inspection on August 1, 2017. The water leaves an orange stain on the ground surface consistent with an iron oxide precipitate. Several grasses and forbs were observed growing in the discharge area. The mine water reports to the sediment pond. The sediment pond was partially full of water during the inspection. No water was observed to be discharging from the pond. Additionally, no water was observed to be expressing at the toe of the waste rock pile. According to the permit record, the Division has asserted that a discharge permit is necessary for the water discharging from the mine. The Water Quality Control Division (WQCD) of the Colorado Department of Public Health and Environment has determined that a discharge permit is not required for this operation. The Division intends to follow up with the WQCD on this matter.

In the Division's last inspection report for August 1, 2017, a problem was cited for failure to employ weed control methods for state-listed noxious weed species within the permitted area. The Division considered the problem to be abated on February 12, 2017, after the operator submitted a weed control plan for the site in the form of a Technical Revision (TR-8). However, the Division observed several weeds growing in the areas inspected. Mr. Voorhees indicated the operator's weed sprayer was scheduled to visit the site within the next few weeks. The Division recommends the operator implement the approved weed control plan at the site as soon as possible.

This concludes the report.

### **PHOTOGRAPHS**



**Photo 1.** View looking southwest at small sediment pond located on top of waste rock pile, just below the Mount Royale No. 1 Adit. Note pond was partially full of water during inspection.



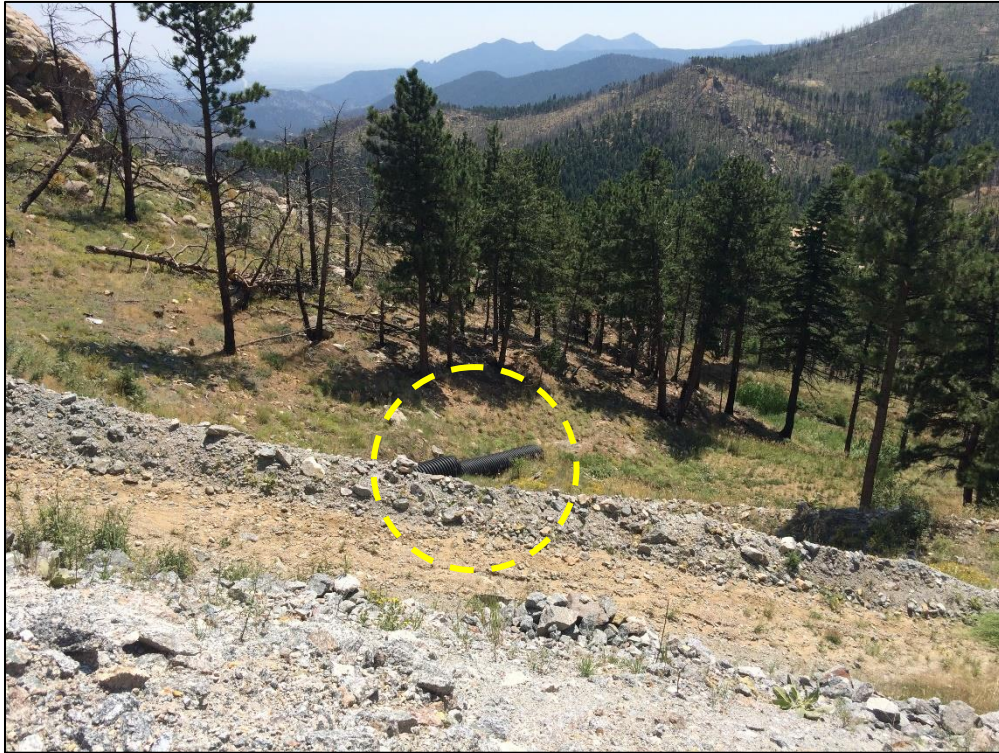
**Photo 2.** Closer view of water held in pond (shown in Photo 1). Note blue-green color of water possibly indicating elevated aluminum concentrations.



**Photo 3.** View looking west from edge of sediment pond showing water draining from Mount Royale No. 1 adit toward pond. Note orange staining of ground where drainage occurs.



**Photo 4.** Closer view of water draining from Mount Royale No. 1 adit. Note orange staining of ground where drainage occurs.



**Photo 5.** View looking down at toe of waste rock pile. Black pipe installed at toe (circled) drains the pile, including any water infiltrating the pile from the sediment pond. No water was exiting the pipe during the inspection.



**Photo 6.** View looking northeast across Mount Royale Adit area. Adit is circled in background.

**Inspection Contact Address**

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Enclosure: Google Earth image of Mount Royale Adit area

EC: Mike Bynum, Colorado Milling Company, LLC at: [mike@bzrez.com](mailto:mike@bzrez.com)

Stephanie Carter, BLM at: [sscarter@blm.gov](mailto:sscarter@blm.gov)

Amber Sanderson, BLM at: [asanderson@blm.gov](mailto:asanderson@blm.gov)

# M1983-141 / Cash & Who Do Mines / Colorado Milling Company, LLC

Approved Permit Area = 9.83 acres

Close-up of Mount Royale Adit area with features labeled.

(Image data from 6/9/2017)



Secondary-Escapeway/Shaft

Shop\_Warehouse

Mount Royale No. 1 Adit/ Cash portal

Main Ore Bin/Loadout