

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.

MINE NAME:		MINE/PROSPECTING ID#:	MINERAL:	COUNTY:		
Willow Creek Mine		M-1983-011	Gold	Lake		
INSPECTION TYPE:		INSPECTOR(S):	INSP. DATE:	INSP. TIME:		
Pre-operation Inspection		Dustin M. Czapla	October 24, 2018	10:00		
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:			
Mt. Elbert Mining Co., L.L.C.		Angela Bellantoni	112 - Hard Rock Regular Operation			
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:			
Pre-operation Inspection		Complete Bond	\$42,467.00			
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:			
NA		None	U.S. Forest Service			
WEATHER:	INSPECTOR'S SIGNATURE:		SIGNATURE DAT	E:		
Clear	the		October 30, 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>N</u>
(HB) HYDROLOGIC BALANCE <u>N</u>	(BG) BACKFILL & GRADING <u>N</u>	(EX) EXPLOSIVES <u>N</u>
(PW) PROCESSING WASTE/TAILING <u>N</u>	(SF) PROCESSING FACILITIES N	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>N</u>	(FW) FISH & WILDLIFE N	(RV) REVEGETATION N
(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>N</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 pre-operation inspection conducted as part of the AM-3 review process. Angela Bellantoni, representing the operator, Amy Titterington and Ana Ingstrom with the USFS, were present. Photographs are included with this report in order to illustrate some of the conditions observed.

The Willow Creek Mine is located approximately 9.6 miles southwest of Leadville and is accessed from CR 24. The site is a 112 operation that currently includes a total of 43.38 permitted acres. AM-3 proposes addition of 69.06 acres, for a total permit area of 112.44 acres. The area to be added to the permit lies wholly on USFS managed lands, on the west side of the existing permit area.

The Division currently holds a financial warranty amount of \$42,467.00 for this site. The financial warranty required by the Division will be increased accordingly to account for the additional disturbance proposed through AM-3. The operator has committed to limit operations to the area currently covered by the existing financial warranty, on the private land, until additional financial warranty in an amount to be determined by the Division is in place.

Adequate mine identification signage was noted at the entrance to the site. Adequate notice of AM-3 was posted at the entrance at the site.

As stated, the AM-3 expansion area lies on the west side of the existing permit area. The expansion area is sloped to the east and north and transitions from sage brush and aspen to lodgepole forest from south to north. The mining will target gold in glacial till deposits. Processing will continue to occur on site in the existing location. The area observed during this inspection is consistent with what is described in the amendment application.

No problems or violations were noted during this inspection.

Problems noted during the August 2018 inspection have been abated. The trash has been removed and the thistle appears to have been sprayed.

Responses to this inspection report should be directed to Dustin Czapla at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 South 3rd Street, Room 301, Grand Junction, Colorado 81501, phone number (970) 243-6299.

PERMIT #: M-1983-011 INSPECTOR'S INITIALS: DMC INSPECTION DATE: October 24, 2018

PHOTOGRAPHS







Inspection Contact Address

Dennis Sonnenschein 32460 Inverness Drive Evergreen, CO 80439

<u>Cc:</u>

Angela Bellantoni PO Box 326 Canon City, CO 81215