



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: Bates-Hunter Mine	MINE/PROSPECTING ID#: M-1990-041	MINERAL: Gold	COUNTY: Gilpin
INSPECTION TYPE: Monitoring	INSPECTOR(S): Jared L. Ebert	INSP. DATE: September 12, 2019	INSP. TIME: 08:53
OPERATOR: Central City Consolidated Mng	OPERATOR REPRESENTATIVE: Matt Collins, Matt Mason, Mike Meter	TYPE OF OPERATION: 110(2) - Hard Rock Limited Impact	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$99,000.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: September 17, 2019

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: The affected area boundary markers are missing or incorrectly placed. This is a problem for failure to maintain boundary markers around the affected area as required by Section 3.1.12(2) of the rule.

CORRECTIVE ACTIONS: The operator shall conduct a survey and replace the boundary markers in the correct location(s). The operator shall provide proof to the Division that this has been done by the corrective action date.

CORRECTIVE ACTION DUE DATE: 10/18/19

OBSERVATIONS

This was an inspection of the Bates-Hunter Mine, Division of Reclamation, Mining and Safety (DRMS or Division) permit number M-1990-041, Operated by Central City Consolidated Mining (CCCM). I, Jared Ebert with DRMS conducted the inspection. Mr. Matt Mason accompanied me during the inspection of the Bates-Hunter Mine site and Mr. Mike Meter accompanied me during the inspection of the Golden-Gilpin Mill. Mr. Matt Collins met Mr. Meter and me at the Golden Gilpin Mill at the close of the inspection.

Acid And Toxic Materials:

The ore bin was empty at the time of the inspection. According to Mr. Mason, they will be building an enclosed ore bin to shelter the ore from precipitation. Equipment and material were staged at the site for the construction of the enclosure.

The sludge from the water treatment plant was placed in a large metal waste repository prepared for off-site transport.

Financial Warranty:

The financial warranty held for the site is \$99,000. This amount is found to be adequate at this time.

Hydrologic Balance:

The water treatment plant was operating at the time of the inspection. According to Mr. Mason they are pumping below the 300 gallons per minute rate limit for the facility. He indicated on average they pump at a rate of 180 gallons per minute.

The Operator's Colorado Discharge Permit Outfall 002 reports to Outfall 003. Outfall 002 consists of a concrete basin with stone waddles in place creating several small catch basins. Outfall 002 discharges to an open corrugated metal channel that flows into small stone catch basins. Neither Outfall 002 nor 003 was discharging at the time of the inspection. The BMP's in place at these outfalls were in good repair and appeared functional. Water pumped from the mine is treated and discharged at Outfall 001.

According to Mr. Meter, the Operator is working on a storm water control plan for the Golden-Gilpin Mill site. They are considering constructing a concrete wall and drainage system on the east end of the site adjacent to the creek to catch storm water runoff from the site before it enters the creek.

The berm separating the former "tailings pond" area from the adjacent creek was vegetated and stable. Water was not discharging from the Golden-Gilpin Mill site area.

Gen. Compliance With Mine Plan:

This is an underground mining operation. The site became operational again in August of 2018. Since the last DRMS inspection it appears that the Bates-Hunter Mine site and the Golden Gilpin Mill portions of the permit area have been cleaned up and re-organized.

DRMS is evaluating if the mining operation is, or has reasonable potential to be a Designated Mining Operation. If DRMS makes this determination, a notification of this will be sent to the Operator in accordance with Rule 7.2.2.

Processing Waste:

The mill is not functioning at this time and tailings are not being placed in the ponds on the south side of the Golden Gilpin Mill site. According to Mr. Meter and Mr. Collins, they are working on a proposal to not store future tailings at mill site and will instead store them in the underground workings at the Bates-Hunter Mine site. The Operator will need to file a revision and obtain approval from DRMS prior to initiating this activity.

Support Facilities On-site:

The Golden Gilpin Mill is in the process of being refurbished. According to Mr. Meter, it may be a year before the mill is up and running. At the time of the inspection, they were removing the roof of the mill facility in preparation for the installation of a new roof. A large solid waste dumpster was onsite for debris collection. Previously mined ore that was originally stored in the mill has been collected and placed in large storage bags and are placed at the north end of the mill site. A large CONEX storage container is placed onsite where equipment and mill supplies are temporarily being stored during reconstruction of the mill facilities.

Signs and Markers:

The mine entrance sign was in place but the permit boundary was not adequately delimited, this issue is cited as a problem at the beginning of this report.

PHOTOGRAPHS



Figure 1. Outfall 002



Figure 2. Catch basins above Outfall 003



Figure 3. Water treatment sludge disposal container.



Figure 4. Ore bin area.



Figure 5. Excess materials storage area located at the south end of the site.



Figure 6. Ore stored on the north side of the Golden Gilpin Mill site.



Figure 7. From the north side of the Golden Gilpin Mill site looking south.



Figure 8. Northeast corner of the former tailing pond area, storm water controls installed where recent earthwork occurred.



Figure 9. From the northeast corner of the former tailings pond area looking southwest.



Figure 10. From the northeast corner of the former tailings pond area looking south.



Figure 11. From the south end of the tailings pond area looking north.



Figure 12. Run-on collection channel from the south end of the former tailings pond area looking north.

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>N</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>Y</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>NA</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>	(RS) RECL PLAN/COMP-- <u>NA</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>NA</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(ST) STIPULATIONS----- <u>NA</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</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

Inspection Contact Address

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