

Dan Collins, Owner/Operator  
**Local Address:**  
Deep Creek Placer  
26 Deep Creek Road (aka CR62L)  
Telluride, CO 81435  
[Dan.collins@asu.edu](mailto:Dan.collins@asu.edu)  
Cell: 480-206-2037

**Winter Mailing Address:**  
Collins Morehead, LLC  
1417 South Grandview Drive Tempe,  
AZ 85281

**RECEIVED**

JUL 31 2020

**DIVISION OF RECLAMATION  
MINING AND SAFETY**

## **MINERALS PROGRAM COMPLIANCE REPORT**

**ONSITE PHONE (OWNER): 970-728-5266**


---

**The Division of Reclamation, Mining and Safety conducted an inspection of the mining operation noted below. The report documented observations concerning compliance with the terms of the permit and applicable rules and regulations of the Mined Land Reclamation Board.**

I am the Owner/Operator of the Deep Creek Placer—an inactive Limestone mine located 7 miles west of Telluride, CO at the intersection of Colorado State Highway 145 and CR62L. Along with Mine Manager, Anton Viditz-Ward, an operation involving the removal of unstable rock formations, reconstruction of mine portal timbering, and general removal of debris was conducted over several days in July 2020. The operation involved considerable expense in the form of hiring heavy equipment (large track hoe, mobile crane, back hoe, skid steer) and personnel to address the compliance issues raised in the report conducted by DRMS inspector Lucas West on June 11, 2020. The following document uses Mr. West's report as a template for providing the status of the mine as of July 31, 2020. All of the issues raised have been addressed. "Before" and "After" photographs with explanatory text have been provided below along with additional photos documenting removal of historic unstable "fin" left by prior mine operators.

We are doing our best to bring the Limestone Mine into full compliance with all relevant DRMS regulations in the hope that the mine can be "repurposed" for light industrial and "cultural events" sanctioned by San Miguel County. To this end, we have undertaken a major "rezoning" process (from Ag Forest [F] to Heavy Commercial [HC]). We have already received preliminary approvals from both the San Miguel County Commissioners and the San Miguel County Planning and Zoning Board for this new zoning—pending meeting DRMS requirements and securing a special use permit from the County.

<b>MINE NAME:</b> Deep Creek Placer	<b>MINE/PROSPECTING ID#:</b> M-1986-102	<b>MINERAL:</b> Limestone (general)	<b>COUNTY:</b> San Miguel
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Lucas West	<b>INSP. DATE:</b> June 11, 2020	<b>INSP. TIME:</b> 10:30
<b>OPERATOR:</b> Collins Morehead, LLC	<b>OPERATOR REPRESENTATIVE:</b> None	<b>TYPE OF OPERATION:</b> 110c - Construction Limited Impact	

<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> None	<b>BOND AMOUNT:</b> \$18,394.00
<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> June 24, 2020

**INSPECTION TOPIC:** other

**PROBLEM/POSSIBLE VIOLATION:** Problem: Trash and refuse was noticed on the site. This is a problem at this time for failure to dispose of refuse in a manner that controls unsightliness or deleterious effects of such refuse pursuant to C.R.S. 34-32.5-116(4)(e).

**CORRECTIVE ACTIONS:** The operator shall submit a written notice to the Division with photo documentation, that the trash has been removed from the site by the corrective action date.

**CORRECTIVE ACTION COMPLETED:** 7/31/20

With local County official approvals, we burned all extraneous trash and removed via dumpster and trailer all unburnable items from the exterior "equipment apron" of the mine.

**OBSERVATIONS FROM LUCAS WEST (JUNE 24, 2020)**

This inspection occurred as part of the normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety. The Deep Creek Placer is an active 110c permit located approximately 8 Miles west of Telluride, Just off Highway 145. The site is an underground limestone operation with two acres of permitted disturbance on the surface. Access to the site is controlled by a locked gate at the bottom of the access road. The Division currently holds \$18,394.00 in financial warranty. A Reclamation Cost Estimate Update was not performed as a result of this inspection. Eight Photos accompany this report to illustrate current site conditions. No Operator representative was present during the inspection.

The proper Mine Identification sign was posted on the gate at the bottom of the access road that can be seen in Photo One. The access road leading up to the equipment apron and portal areas is in good condition. No signs of significant erosion were noted and all storm water control features associated with the access road appeared to be functioning as designed at the time of the inspection. The access road can be seen in Photo Two.

The site was not active during the inspection, all mining activities were completed some years ago and the site has been working towards reclamation since 2015 when a Permit Amendment was conducted to clarify the reclamation plan. Details included in the Amended Reclamation Plan include that the underground workings and associated portals will be left for private use, and the equipment apron will be used for light fabrication and certain "permitted cultural events" post reclamation. During the Division's previous inspection it was noted that the Operator should conduct a site cleanup of all mining and non-mining related debris, and anything that is to remain should be stored in a neat and orderly fashion. In the time since the Division's previous inspection, more items have been stored on site, including but not limited to, a non-mobile car, school bus, camper trailer, hoists, large amounts of scrap metal and large amounts of scrap wood. Examples of the areas with excessive trash and debris can be seen in Photos Three through Seven. The excessive amounts of mining and non-mining related equipment, debris, trash and scrap is being cited as a problem at this time Pursuant to Rule 3.1.15 (5) and C.R.S. 34-32.5-116(4)(e). The Operator shall either remove the mining and non-mining related equipment, scrap, excessive trash and debris from the site completely, or store the items in the underground workings. Any materials left on the pad in accordance with the approved Reclamation Plan must be stored in a neat and orderly fashion. Photo documentation of the cleanup must be submitted to the Division's Denver Office no later than **Friday July 31, 2020**. Failure to conduct the cleanup of the site may lead to further enforcement action. Please note that a full reclamation permit release cannot be completed until the extensive site cleanup is completed.

The portals located on site leading to the underground workings appeared to be in good condition. All portals used for access to the workings were equipped with lockable steel gates, which were un-secured at the time to allow for inspection. The portals were in good condition and appeared to be stable at the time of the inspection. One portal that is secured and covered with a light density plastic to allow light to filter to the underground workings had evidence of material sloughing into the underground workings. The amended reclamation plan states that the remaining portals will either be sealed with concrete block or with a lockable steel gates, this portal appeared have to neither closure method installed. The portal can be seen in Photo Eight from the underground workings. The material that has sloughed off should be cleared of the opening, and one of the approved closure methods should be installed. This task must be completed in accordance with the approved Reclamation Plan before a full reclamation permit release can be completed.

The historic explosives magazine located on site was observed and was unsecured at the time of the inspection. Materials stored inside the magazine include propane tanks, various fuel and oil containers and other flammable items. This is not considered a problem at this time however the magazine should be secured. No evidence of settling, slumping or erosion were noted during the inspection and no state listed noxious weeds were observed.

All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver CO, 80203, by phone at 303-866-3567 Ext. 8187 or by email at [lucas.west@state.co.us](mailto:lucas.west@state.co.us).

**Inspection Contact Address**

Dan Collins  
Collins Morehead, LLC  
1417 South Grandview Drive  
Tempe, AZ 85281

CC: Travis Marshall, Senior Environmental Protection Specialist

**PHOTOGRAPHS – BEFORE and AFTER**

**Labeled Photos 1 – 16 showing Lucas West's original photos from June 11, 2020 Inspection followed by photos shot from same or similar position on July 31, 2020 by Dan Collins.**

*NOTE:* Numbering/labeling system of photos follows this format (for example):

**Photo Xa (Original Inspection - Lucas West)**

**Photo Xb (Current Status – Dan Collins)**

**Photo 1a (Original Inspection – Lucas West)**

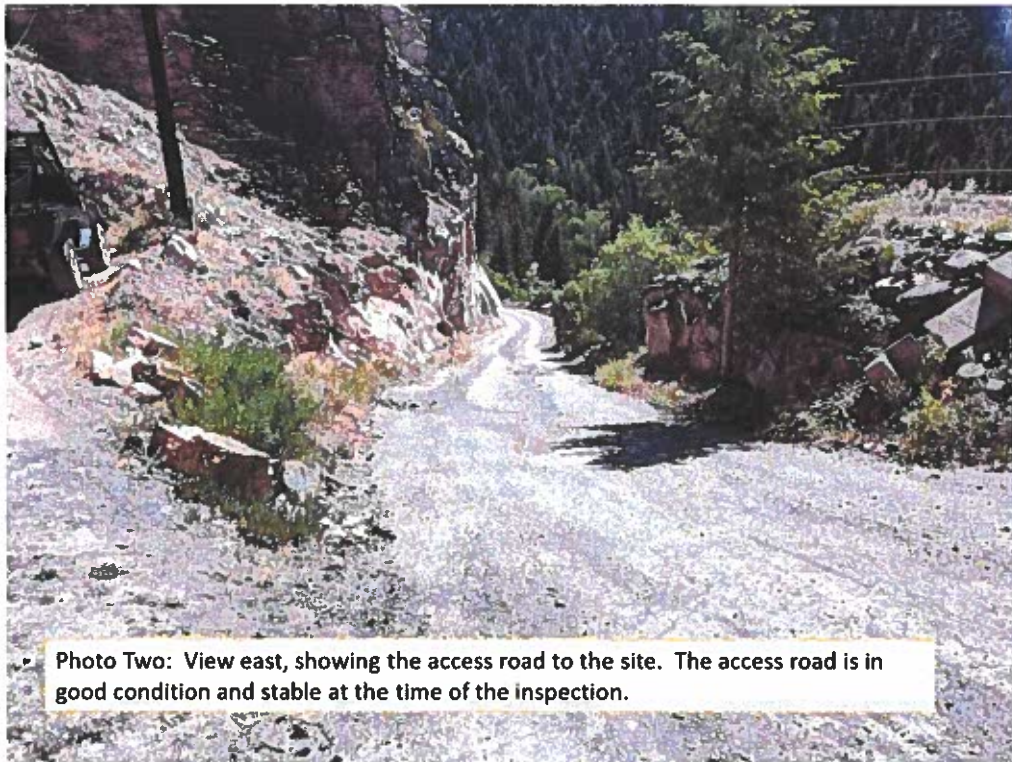


**Photo 1b (Current Status – Dan Collins)**

No change.



**Photo 2a (*Original Inspection – Lucas West*)**



**Photo 2b (*Current Status – Dan Collins*)**





**Photo 3a** (*Original Inspection – Lucas West*)



**Photo 3b** (*Current Status – Dan Collins*)





**Photo 4a (Original Inspection – Lucas West)**

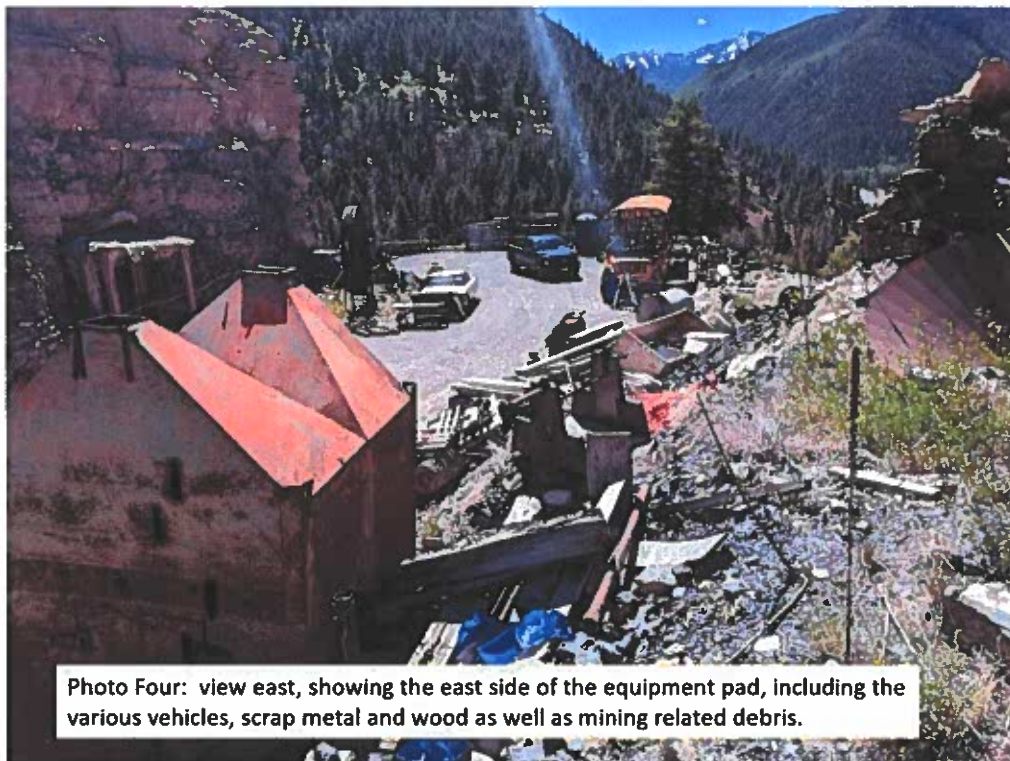


Photo Four: view east, showing the east side of the equipment pad, including the various vehicles, scrap metal and wood as well as mining related debris.

**Photo 4b (Current Status – Dan Collins)**



Unstable rock fin removed. In its place is a "berm" approximately 100 feet long.



**Photo 5a (Original Inspection – Lucas West)**

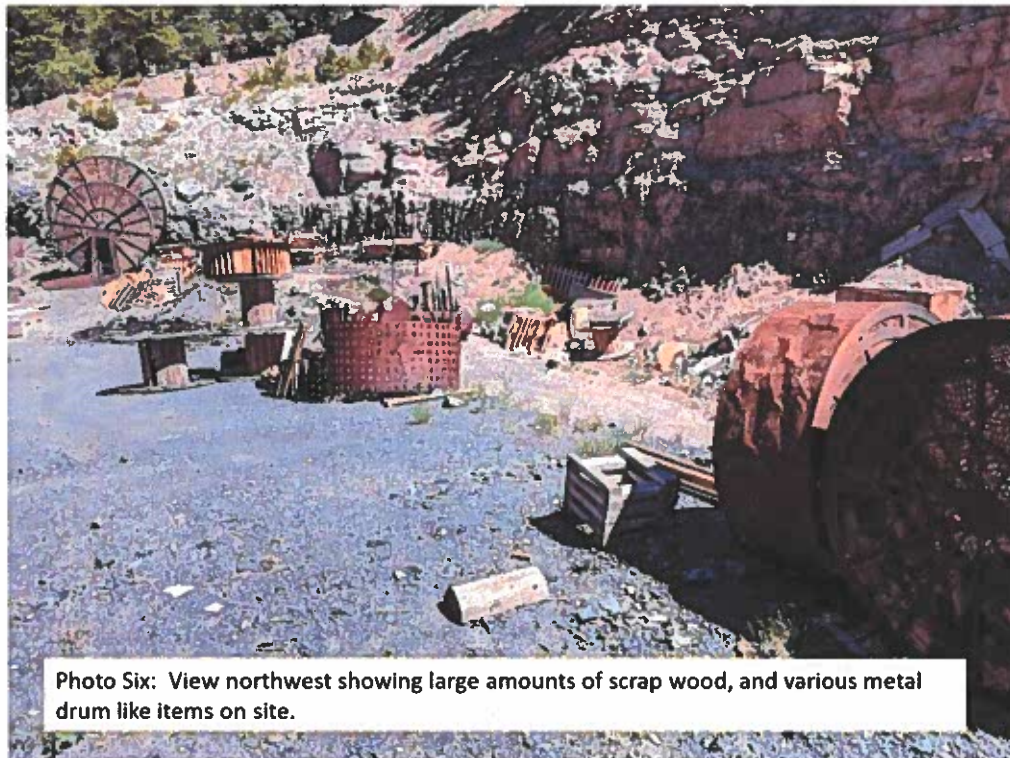


**Photo 5b (Current Status – Dan Collins)**



Trailer removed. Pavers palletized and stacked where Trailer was parked. Other supplies stored neatly on pallets.

**Photo 6a (*Original Inspection – Lucas West*)**



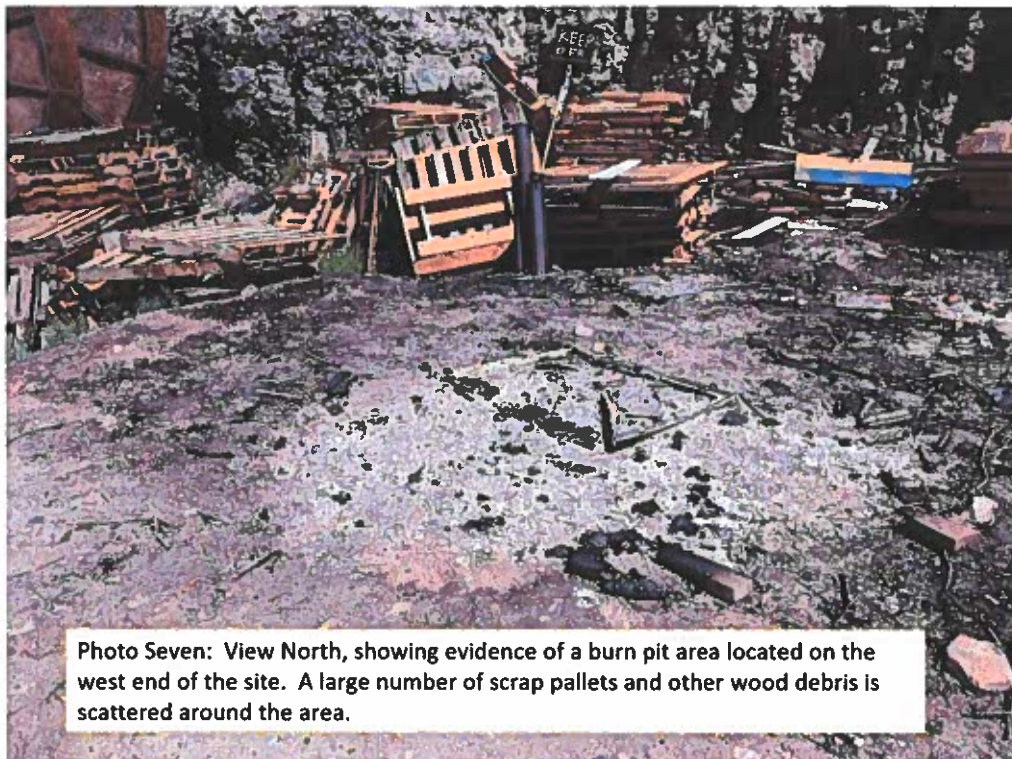
**Photo 6b (*Current Status – Dan Collins*)**



**View of new berm looking West (formerly unstable limestone fin)**



**Photo 7a (Original Inspection – Lucas West)**

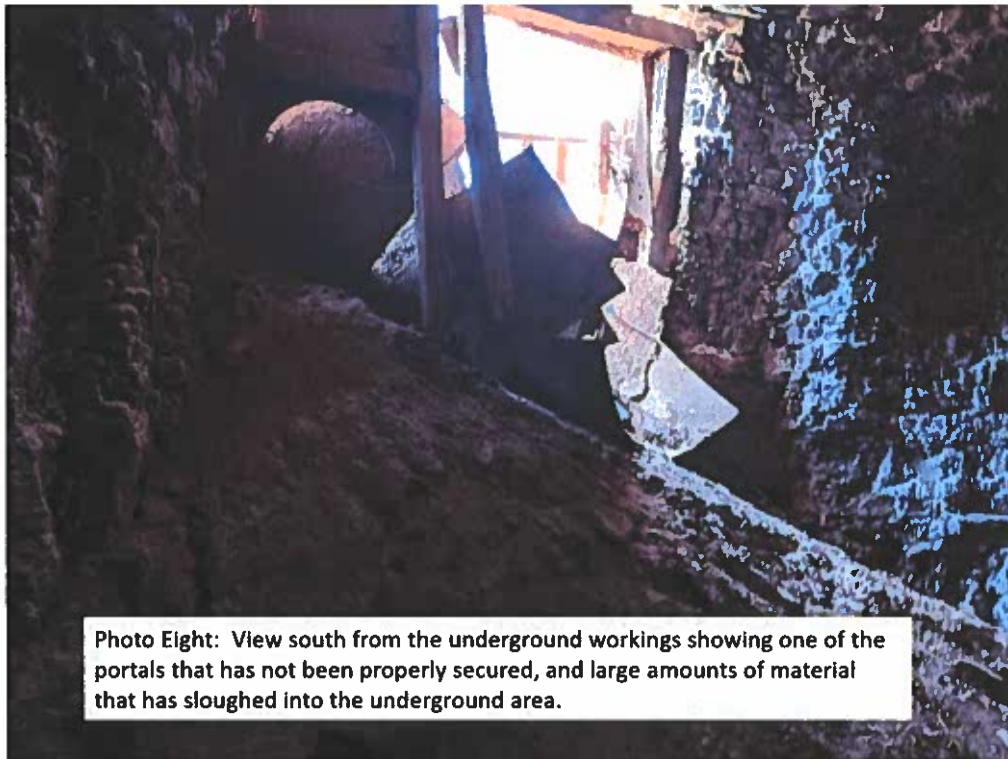


**Photo 7b (Current Status – Dan Collins)**





**Photo 8a (*Original Inspection – Lucas West*)**



**Photo 8b (*Current Status – Dan Collins*)**



Rotted timbers and sloughing material removed; ready for new door installation.

Note: In conversation with Lucas West (July 30, 2020) the technical requirements for securing this portal were discussed. As we would like to maintain the ventilation and light afforded by the opening, it was suggested by West that we submit a "technical revision" to the original reclamation plan (which proposed a cinderblock wall or steel doors to close/secure the portal). Our current plan is to complete the timber framing of the opening and install custom steel hinged frames that would hold heavy-duty lexan/acrylic panels to ensure that the opening is secure, but still afford light and increased ventilation opportunities. A "quick fix" will be immediately pursued in the form of chain-link fencing material.

#### **Other photo documentation addressing West's Inspection Report**



Photo 9. Door hinge repaired on Explosives magazine such that door can now be secured.  
Note: This steel structure only used for fuels, not explosives.





Photo 10. View looking East (note Colorado Hwy 145 in upper right).  
This is the resulting berm from the demolition of unstable limestone fins left by former mining operations.



### GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(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>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>Y</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>	(O) OTHER----- <u>PB</u>

Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited