




NON-CONFIDENTIAL

MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

The Division of Reclamation, Mining and Safety 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: Bear Hug	MINE/PROSPECTING ID#: P-2011-028	MINERAL: Gold and silver	COUNTY: Clear Creek
INSPECTION TYPE: Monitoring	INSPECTOR(S): Peter Hays	INSP. DATE: September 11, 2020	INSP. TIME: 13:30
OPERATOR: Terry Winters	OPERATOR REPRESENTATIVE: Terry Winters	TYPE OF OPERATION: MP - Mineral Prospecting	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Partial Bond	BOND AMOUNT: \$2,268.23
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: October 2, 2020

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>Y</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>N</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RS) RECL PLAN/COMP-- <u>Y</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 / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

The Bear Hug NOI site was inspected by Peter Hays with the Division of Reclamation, Mining and Safety (Division/DRMS) as part of the Division's monitoring inspection program. The site was previously inspected by the Division on February 27, 2017. Mr. Terry Winters was present during the inspection. An inspection map based on the latest available Google Earth image and the observations from this inspection is attached for reference.

The NOI site is located 2 miles west of Idaho Springs, CO in Clear Creek County. The NOI application was issued by the Division on October 27, 2011. The NOI is considered non-confidential by the Division. The land ownership is private and consists of 17.04 acres. The minerals being investigated are gold and silver. The prospecting was originally estimated to be completed by 2030.

The prospecting activities are allowed over the entire 17.04 acres. The prospecting activity consists of hand digging test pit to a depth of 16 inches at a 2 foot spacing between the pits. The excavated material is processed through a trommel and a spiral classifier. The processing of the excavated material requires the use of water. The Prospector moved a cattle tank near the location of the planned prospecting for 2021. The water captured as rainfall and snow will be utilized to conduct the prospecting activities. The water is recycled and there is to be no discharge of process water to the ground surface. The trommel was recently rehabilitated with new PVC piping. The Prospector stated the trommel would be moved up the hill to the next planned excavation site next summer. All test pits are required to be backfilled with the excavated material prior to the end of each season.

Mr. Winters stated prospecting activities have not occurred for the last 10 years and that next year's prospecting will be the last activity at the site. Mr. Winters indicated the last prospecting area to be excavated and reclaimed during the inspection. The area was covered in pine needles and matched the surrounding topography.

The Division holds a financial warranty in the amount of \$2,268.23, which appears adequate to reclaim the prospecting area planned for 2021.

Photographs taken during the inspection are attached. If you need additional information or have any questions, please contact me at the Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at 303.866.3567 x 8124, or by email at peter.hays@state.co.us.

Inspection Contact Address

Terry Winters
1558 Spring Gulch Rd.
Idaho Springs, CO 80452

Enclosure – Inspection Map

Ec: Jared Ebert, DRMS

PHOTOGRAPHS



View of the reclaimed last prospecting location



View of the prospecting area planned for 2021



View of the cattle tank to be used to capture rain and snow for prospecting activity







View of trommel

Bear Hug NOI

P-2011-028

September 11, 2020 Inspection Map

Legend

-  Approx. Bear Hug NOI Boundary
-  Former Excavation Area
-  Planned 2021 Excavation Area
-  Terry Winter - Bear Hug NOI

Raven Dr
South Spring Gulch Road

130

Terry Winter - Bear Hug NOI

Former Excavation Area

Planned 2021 Excavation Area

Google Earth

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900 ft

