




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: Lombard #3	MINE/PROSPECTING ID#: M-2020-057	MINERAL: Silver and gold	COUNTY: Clear Creek
INSPECTION TYPE: Pre-Operation Inspection	INSPECTOR(S): Peter Hays	INSP. DATE: June 9, 2021	INSP. TIME: 10:00
OPERATOR: SSG Mining	OPERATOR REPRESENTATIVE: Jeff Carter	TYPE OF OPERATION: 110(1) - Hard Rock Limited Impact	
REASON FOR INSPECTION: Pre-Operation Inspection	BOND CALCULATION TYPE: None	BOND AMOUNT: No Bond Held	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: U.S. Forest Service	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: June 17, 2021	

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>N</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----- <u>N</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>N</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>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

This was a pre-operational inspection of the proposed Lombard #3 site conducted by Peter Hays with the Division of Reclamation, Mining and Safety (Division/DRMS). This was a joint inspection with the United States Forest Service (USFS) who were conducting a site inspection for the Plan of Operations (POO) application currently under review by the USFS. Mr. Jeff Carter with SSG Mining, the Applicant, 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 Lombard #3 site 110(1) Hard Rock Limited Impact Operation application was submitted on November 25, 2020. The Division sent the Operator two incompleteness letters dated December 10, 2020 and February 27, 2021. The application is still considered incomplete by the Division. As stated in Item # 4 of the second incompleteness letter, the Division will require the Applicant to provide a copy of the approved Plan of Operations from the USFS as the source of legal right to enter. The Division cannot consider the application as complete until the POO is obtained from the USFS. The technical review of the application will begin once the application is called complete by the Division.

During the inspection, the Applicant provided additional information regarding the planned mining activities at the site. The Applicant stated they intend to reopen a historic adit, construct a 2.0 acre pad with the excavated adit material to create a stockpile area and perform limited sampling within the adit consisting of removing material in 5 gallon buckets. The Applicant estimated 300 cubic yards of material will be excavated to open the adit and construct the pad. The mining activities will stop if water is encountered in the adit. The maps provided by the Applicant in the application indicate the permit boundary around an existing waste rock stockpile instead of a 2.0 acre area surrounding the adit. The Mining Plan details and map errors will be address by the Division in the application adequacy review letter, which will be sent after the application is deemed complete.

On June 16, 2021, the USFS sent Mr. Carter a letter to acknowledge receipt of the Lombard #3 Mine Plan of Operations. The POO describes activities including; use of existing roads (Cumberland Gulch Road), excavation to open an adit, installation of new adit gate and underground operation including the removal of material for testing and sampling. The letter indicated additional time is needed to review the POO, not to exceed 60 days.

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

Jeff Carter
SSG Mining
15954 Jackson Ck Pkwy
Monument, CO 80132

Enclosure – Inspection Map

Ec: Jared Ebert, DRMS
Nicole Malandri, USFS

PHOTOGRAPHS



View of the collapsed Lombard #3 adit



View of the access road from Cumberland Gulch Road to the Lombard #3 adit

Lombard #3

M-2020-057

June 9, 2021 Inspection Map

Legend



Location of Lombard #3 Adit



Lombard #3



Lombard #3 Permit Boundary on Mining and Reclamation Plan Maps



Lombard #3



Location of Lombard #3 Adit

Google Earth

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100 ft