



## 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.

<b>MINE NAME:</b> Gladstone Toll Mill	<b>MINE/PROSPECTING ID#:</b> M-2021-007	<b>MINERAL:</b> Precious Metals	<b>COUNTY:</b> Clear Creek
<b>INSPECTION TYPE:</b> Pre-Operation Inspection	<b>INSPECTOR(S):</b> Peter Hays	<b>INSP. DATE:</b> May 19, 2021	<b>INSP. TIME:</b> 10:00
<b>OPERATOR:</b> Salisbury Gladstone LLC	<b>OPERATOR REPRESENTATIVE:</b> Jeff Carter	<b>TYPE OF OPERATION:</b> 110d - Designated Limited Impact	

<b>REASON FOR INSPECTION:</b> Pre-Operation Inspection / Objection	<b>BOND CALCULATION TYPE:</b> None	<b>BOND AMOUNT:</b> No Bond Held
<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 18, 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>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----- <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 and objection investigation inspection of the proposed Gladstone Toll Mill application conducted by Peter Hays with the Division of Reclamation, Mining and Safety (Division/DRMS). Mr. Jeff Carter with Salisbury Gladstone LLC was present during the inspection.

The Designated Mining Limited Impact (110d) Operation permit application for the site was received by the Division on February 5, 2021. The application was deemed complete on April 26, 2021. The Applicant published public notice as required by Rule 1.6.2(d) for one week on May 5, 2021, however the notice incorrectly listed the location of the proposed mill. The Division required the Operator to republish the newspaper notice and renote all surrounding landowners. The corrected newspaper notice was published on June 2, 2021. The revised public comment period for the application ends on June 22, 2021. One letter of objection to the application was received by the Division during the first public comment period. The objection letter were forwarded to the Operator for review and response. The required notice sign was observed at the entrance to the site from Stanley Road as required by Rule 1.6.2(b). The current decision date is July 9, 2020.

The Gladstone Toll Mill application proposes a 2.1 acre site located in Clear Creek County. The purpose of the 110d application is to allow the Applicant to construct and operate a ball mill on the Salisbury Gladstone, LLC property. The Applicant previously submitted a 110(1) application for the site (File No. M-2020-030), however following the Division's determination the operation was a Designated Mining Operation (DMO) the Applicant withdrew the previous application and agreed to submit the 110d application currently under review.

The site is currently under a Cease and Desist Order issued by the Mined Land Reclamation Board, until the current application is approved and issued by the Division. The site appeared mostly the same as during the last inspection for the previous application on August 4, 2020. The Applicant stated any work completed at the site was done so before the cease and desist order was issued on August 11, 2020.

The Division received an objection to the application on May 7, 2021 through the DRMS Comment and Objection Intake Tool from Stanley Mining Company, LLC and Stanley Mines Adventures (Stanley). The complaint states the Gladstone Milling operation has and continues to trespass on the Stanley Mining Company's property. They assert the Applicant has bulldozed a road across their property to access portions of their property above the milling operation. They also state the Applicant has excavated a hole and built forms for a settling pond foundation partially on their property. Further, they assert the applicant has barricaded their access to their property by laying logs across our road.

### **Trespassing**

The Division did not observe any evidence of trespassing on the Stanley Mining Company, LLC property other than the presence of a dirt berm on the western edge of the Stanley property, which according to Mr. Carter and the objection response letter from Environmental Alternatives, Inc. dated May 19, 2021, Mr. Miller requested Mr. Carter to construct the berm on the property boundary. As stated above, the site is currently under a cease and desist order from the Board. Once the cease and desist order is lifted and the settling ponds can be backfilled and a berm can be constructed on the Gladstone property.

#### Access Road

This objection issue was brought up by the same Objector during the public comment period for previous application, File No. M-2020-030. The Division conducted an inspection on June 17, 2020 to investigate the objection. During the June 17, 2020 inspection, the Division observed a recently cleared section of the road from the Stanley mine to the mining claims above the Stanley Mine and the road from Stanley Road to the Gladstone site. Mr. Carter stated the roads were cleared of vegetation and debris, but were existing roads. Based on Google Earth images of the area, the roads appear to be pre-existing and not constructed by Mr. Carter. Additionally, small conifer trees were observed on the edge of the road above the Stanley Mine, which appeared to have been recently removed from the road surface.

During this inspection, Mr. Carter again stated access agreements would be obtained from the two claim holders for the road prior to using the road. As stated in the objection response letter from Environmental Alternatives, Inc. dated May 19, 2021, the road is unchanged, is not within the proposed permit boundary and will not be used for access to the proposed mill.

The Objectors submitted a follow-up letter received by the Division on May 27, 2021. In the letter the Objector states, the applicant did in fact utilize machinery to clear a road through our property, we do appreciate the acknowledgement and statement that there will be no further encroachment in that area either under this permit or any other future permit or activity by the applicant to access the mill or provide resources or materials to the mill through our property. The applicant through their response has acknowledged that they do not have any rights, stated or unstated, to transit through the Stanley property.

The Division considers this objection issue resolved since the road is not within the permit boundary for the proposed Gladstone Toll Mill site and the Applicant has committed to obtain access agreements prior to using the road. The Division encourages the two parties to obtain an access agreement to resolve this issue permanently.

#### Settling Pond

As stated in the objection response letter from Environmental Alternatives, Inc. dated May 19, 2021, during a phone call between Mr. Carter and Mr. Miller on May 11, 2021, Mr. Miller acknowledged that the Mine Zone District in Clear Creek County does not have property setbacks for site development. The proposed permit boundary was surveyed and Mr. Miller's photos clearly show that site development to date is within the proposed permit boundary.

The Objectors submitted a follow-up letter received by the Division on May 27, 2021. In the letter the Objector states, the property setback requirements and the structure built to date may or may not be in question. Whether structures are built or not at a zero lot line, the construction activity may not encroach on another property owner without permission. And in this case, the piles of dirt, the cut trees and other debris were removed from the applicant site and placed on our property without permission. There was not permission provided but perhaps a misinterpretation of my conversation regarding berms. Any berms constructed should have been berms on the applicant property not on the Stanley property which would take up valuable land required for our business activities.

Based on the survey makers observed in the field during this inspection, the east side of the settling pond structure is very close to the property line, but within the Gladstone property boundary. The Division considers this objection issue resolved since the settling pond is located within the Salisbury Gladstone, LLC

property. As stated above, the site is currently under a cease and desist order from the Board. Once the cease and desist order is lifted and the settling ponds can be backfilled and a berm can be constructed on the Gladstone property.

#### Road Barricade

The logs have been removed from the Stanley Mining Company, LLC property and were not observed during the inspection. The Division considers this objection issue resolved since the logs have been removed from the property and are no longer barricading site access.

The Objectors submitted a follow-up letter received by the Division on May 27, 2021. In the letter the Objector states, (they) will require the following as conditions to remove the objection:

1. The applicant will provide a mutually agreeable, legally enforceable, and recordable document that clearly sets out that they or any affiliated party to the owners or operation have no rights either stated or unstated, historic or otherwise, to or thru any portion of the Stanley Mining Company property.
2. The applicant will construct a solid fence of corrugated metal 8' tall and no more than 6" off the ground along to property line from the south survey point established along Stanley Road up to 50' north of the south survey marker.
3. The applicant will remove all materials that have been placed on the Stanley property since the beginning of their construction efforts and regrade the area to its previous conditions.

The Division forwarded the May 27, 2021 letter from Stanley to the Applicant on May 28, 2021. The Division is awaiting a response from the Applicant regarding the conditions proposed by Stanley to withdraw their objection to the Gladstone Toll Mill application.

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](mailto:peter.hays@state.co.us).

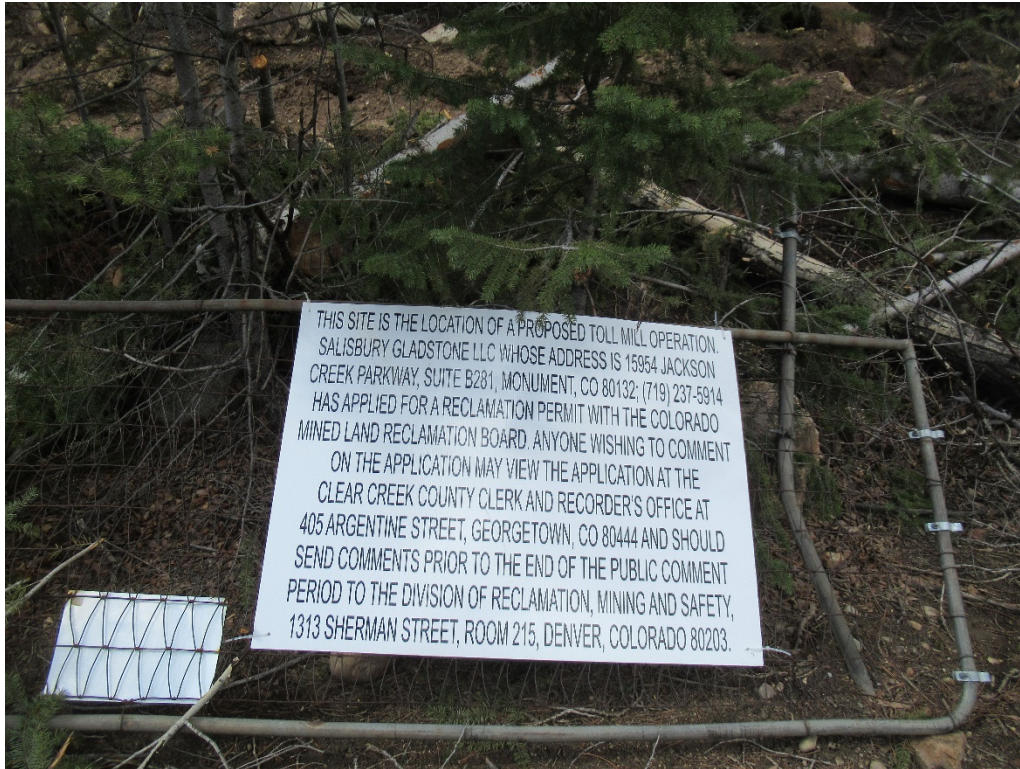
#### Inspection Contact Address

Mr. Jeff Carter  
Salisbury Gladstone LLC  
15954 Jackson Ck PKWY  
Monument, CO 80132

Ec: Jared Ebert, DRMS  
Angela Bellantoni, Environmental Alternative, Inc. at [angela@envalternatives.com](mailto:angela@envalternatives.com)  
Ben Miller, Stanley Mining Company, LLC at [ben@lewicki.biz](mailto:ben@lewicki.biz)



## PHOTOGRAPHS



Gladstone Toll Mill notice sign



View of the mill from the east side looking west





View of the removed logs from the Stanley property