




**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.

<b>MINE NAME:</b> Dixie Mine	<b>MINE/PROSPECTING ID#:</b> M-2015-028	<b>MINERAL:</b> Silver and gold	<b>COUNTY:</b> Clear Creek
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Peter Hays	<b>INSP. DATE:</b> September 9, 2021	<b>INSP. TIME:</b> 10:00
<b>OPERATOR:</b> Teton Drilling Inc.	<b>OPERATOR REPRESENTATIVE:</b> Mike Jones	<b>TYPE OF OPERATION:</b> 110(1) - Hard Rock Limited Impact	
<b>REASON FOR INSPECTION:</b> Priority	<b>BOND CALCULATION TYPE:</b> None	<b>BOND AMOUNT:</b> \$14,500.00	
<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> October 23, 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>Y</u>	(RD) ROADS----- <u>N</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>Y</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>	

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

## **OBSERVATIONS**

The Dixie Mine was inspected by Peter Hays with the Division of Reclamation, Mining and Safety (Division/DRMS) in response to an anonymous citizen complaint (CT-02). Mr. Mike Jones and Mr. Steve Jones with Teton Drilling Inc. were present during the inspection. The site was previously inspected by the Division on July 26, 2018 for an anonymous citizen complaint (CT-01) which alleged possible illegal mining and storage of mining related equipment at the Dixie Mine. An inspection map based on a Google Earth image is attached for reference.

The Dixie Mine is permitted under a Hard Rock 110(1) Reclamation Permit and the commodities of interest are gold and silver. The site is located approximately 5.5 miles west of Idaho Springs, in Clear Creek County. The operation is permitted to affect 4.75 acres and the approved post-mining land use is forestry. The Division holds a financial warranty in the amount of \$14,500.00, which appears adequate to reclaim the current disturbance at the site. The mine sign and boundary markers were observed as required by Rule 3.1.12.

On September 1, 2021, the Division received an anonymous citizen complaint which alleged the Operator was dumping and storing excess equipment and landfilling junk and trash on adjoining land. This included the storage of campers, vehicles, machinery, metal, oils, tires and trash. The complaint also alleged the Operator was digging in Ute Creek without permits and trenching/draining mine waste water from the MM Portal (Sweet Marie) adit into Ute Creek. The purpose of the inspection was to determine if the Dixie Mine was in compliance with the approved Reclamation Permit and to ensure all mining activities were occurring within the permit boundary.

The approved Mining Plan states the operation will remove limited amounts of material from a thin vein which varies from 6 inches to 3 feet in width using an excavator. The total length of the trench will be less than 350 feet with a width of between 6 to 10 feet. The amount of material to be removed is estimated at between 500 to 2,500 cubic yards per year. The total operation is estimated at less than 5,000 to 6,000 cubic yards over the life of the mine. The site was inactive during the inspection, however an excavator was observed at the end of the trench and the site appeared to have been recently operational. The on-site mill consisting of a jaw crusher, ball mill, duplex jigs, water troughs and other components were observed during the inspection. The Operator stated the mill was operational this year. Overall, the site appeared to be in compliance with the approved Mining Plan.

The complainant submitted 5 photographs of a small pond of water, debris, old mining and milling equipment and a RV. The photos were not taken within the permitted boundary of the Dixie Mine. During the inspection, the Operator stated the pictures were taken on a separator parcel of land owned by Teton Drilling, Inc. which is not within the Dixie Mine permit boundary. The parcel of property is referred to as the Sweet Marie #15977 in the Clear Creek County Assessors records and is situated 0.2 miles south of the Dixie Mine, on the west side of Ute Creek Road. The landowners granted the Division permission to inspect the land to investigate the complaint, even though the Division does not have jurisdiction over the property. The Division observed the areas photographed by the complainant. The RV, water heater and other debris were removed from the site by the Operator over Labor Day weekend prior to the inspection. The old mining and milling equipment in the complaint pictures was observed by the Division.

The original mill structure is no longer present at the site. However, there is a dilapidated structure which spans the Sweet Marie property and the adjacent property to the south. In addition, a small cabin and

outbuilding are situated near the bottom of the access road. Ute Creek flows through the property, however most of the creek is routed through a pipe as it crosses the property. Ute Creek was flowing at the time of the inspection. The Division did not observe any evidence of excavation activity in the creek during the inspection. The Division observed an adit with a locked steel door which is also situated at the bottom of the access road. The Division observed water discharging from the adit at a rate of several gallons per minute. The discharge was routed to a small sump approximately 20' from the adit. A 1 inch diameter PVC pipe was observed from the sump under the road to a shallow ditch which headed toward Ute Creek. The Division did not observed direct discharge into Ute Creek from the adit, however due to the pipe and ditch directing water toward the creek the adit discharge is presumably reporting to Ute Creek. The landowner stated water testing for the adit discharge indicated the water was clean. The Division requested a copy of the water test from the landowner during the inspection. The Division has not received the water test results as of the signature date of this report. The landowner stated the pipe and ditch were install by the adjacent landowner to direct water away from the former mill building, which spans two landowner's properties.

The landowner stated during the inspection they were aware of the requirement to obtain a permit from the Division prior to accessing the Sweet Marie adit for mining activities. The Division reached out to the Inactive Mine Reclamation Program (IMP) program within the Division regarding the adit closure and discharge. The IMP staff stated the adit closure was not installed by the IMP program, however the adit was adequately safeguarded. The IMP staff stated the drainage was very likely historic, since the primary function of old adits in the area was to drain the mine working above.

All of the equipment and debris in the complaint was contained on land owned by Teton Drilling, Inc. The Division does not have the jurisdiction to require the landowner to remove the equipment from private property. The complaint investigation is complete and considered resolved by the Division.

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**

Mike Jones  
Teton Drilling Inc.  
10422 Heinz way unit c  
Henderson, CO 80640

Enclosure – Inspection Map

Ec: Jared Ebert, DRMS



## PHOTOGRAPHS



Dixie Mine mine sign



View of the Dixie Mine trench





View of the Dixie Mine on-site mill facilities



View of typical Dixie Mine boundary marker





View of equipment storage as shown in the complaint picture



View of equipment storage as shown in the complaint picture





View of equipment storage as shown in the complaint picture, RV removed



View of the ditch from the adit pool towards Ute Creek





View of the MM adit and adit pool





Teton Dixie Mine

Sweet Marie Mine