




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.

MINE NAME: Cresson Project	MINE/PROSPECTING ID#: M-1980-244	MINERAL: Gold	COUNTY: Teller
INSPECTION TYPE: Monitoring	INSPECTOR(S): Brock Bowles	INSP. DATE: November 17, 2021	INSP. TIME: 09:00
OPERATOR: Cripple Creek & Victor Gold Mining Co.	OPERATOR REPRESENTATIVE: Jeana Ratcliff	TYPE OF OPERATION: 112d-3 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE:	BOND AMOUNT: \$209,491,188.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: December 13, 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 inspection was conducted by Brock Bowles of the Division of Reclamation, Mining and Safety (Division). Jeana Ratcliff of Cripple Creek & Victor Gold Mining Company (Operator) was present for the inspection. The Cresson Project is located between the towns of Cripple Creek and Victor in Teller County. This site is a 112d-3 Designated Mining Operation (DMO) permitted for 6,007 acres to mine and process gold ore. At the time of the inspection it was warm, clear, and the ground was dry.

This inspection included the following facilities and areas:

- VLF1 and VLF2
- Schist Island Repeater Overlook
- Midway Fuel Island
- Iron Clad Truck Shop
- Iron Clad Boneyard

-VLF1 and VLF2

The VLF1 10,400 level had water being applied through the drip system. No leaks were noted. The 10,300 level also had water being applied (photo 1). A leak was noted on the north end of the drip system and it was repaired within the 10 minutes we were in the area. The 10,200 level also had water being applied (photo 2). No leaks were noted on this level. No ponding greater than 9 square feet was noted on any of the levels on VLF1.

The VLF2 10,100 level had solution being applied on the north side of the lift. Ore was being stacked on the south side (photo 3). Solution was being applied to the 10,000 level (photo 4). No leaks were noted on either level and no ponding greater than 9 square feet was noted.

-Schist Island Repeater Overlook

Material was being stacked in 5 foot lifts from north to south. When the lift is complete a loaded haul truck will pass 3 times over the entire lift to ensure the compaction standard. A sheepsfoot compactor is used for the areas close to the perimeter wall where the haul truck cannot get. A water truck watered the access road and the top of the lift (photo 5). A couple of haul trucks dumped material. No rocks larger than 24 inches were noted.

-Midway Fuel Island

The fuel island area was free and clear of debris. No spills were noted. Several spill kits and fire extinguishers were in the area. The edge of liner was marked with signs (photos 6).

-Iron Clad Truck Shop

The truck shop was well organized. No oil spills were noted. The oil dispenser station was clean and well maintained (photo 7). The carts used for oil changes were clean and no spills were seen (photo 8).

The truck wash bay is a large indoor facility. Water jets are staged on the floor and along a catwalk about 20 feet above the floor (photo 9). The floor is sloped to middle of the room to a grate covered trench. Water flows into the trench and then directed to the north side of the room. A three stage sump is used to separate the water and dirt (photo 10). The water is recycled and pumped back to the water jets. The center trench is cleaned periodically. The material is remove by a skid-steer to a sump pit just outside the wash bay to the southeast (photo 11). Once the material dries it is then transported to the main pit area.

The lubricant and oil bulk storage area is the eastern end of the truck shop. The room contains 5 large storage silos (photo 12). The room was clean and there were no oil spill stains noted. Spill kits and fire extinguishers

were located in the room. A second bulk lubricant storage area is located in the warehouse (photo 13). This area was clean and there were no oil spill stains noted. Spill kits and fire extinguishers were located in the room. The area outside the warehouse where the oil is pumped into the servicing vehicles had a containment structure under the nozzles. The area was clean and a spill kit and fire extinguisher were nearby (photo 14).

-Iron Clad Boneyard

The boneyard area to the west of the Ironclad truck shop was being cleared. The extra storage items were being moved to prepare the area for mining (photo 15). The area was mostly clear of machinery, only a couple of items still needed to be removed. No oil spills or contaminated soil was noted.

PHOTOGRAPHS



Photo 1 – VLF 1, 10,300 level, facing north



Photo 2 – VLF1, 10,200 level, facing south



Photo 3 - VLF2 – 10,100 level, facing south, ore stacking on far side



Photo 4 – VLF2, 10,000 level, facing west



Photo 5 – Schist Island, 5' lift



Photo 6 – Midway Fuel Island area



Photo 7 – Truck shop oil dispensing station



Photo 8 – Oil changing station



Photo 9 – Truck wash bay



Photo 10 – 3 stage sump to separate dirt from recycled wash water.



Photo 11 – Truck wash sump



Photo 12 – Bulk lubricant storage area



Photo 13 – Warehouse bulk lubricant storage area



Photo 14 – Servicing vehicle loading station



Photo 15 – Ironclad boneyard storage area

Inspection Contact Address

Jeana Ratcliff
Cripple Creek & Victor Gold Mining Company
P. O. Box 191
Victor, CO 80860

Enclosure

CC: