


**COLORADO**Division of Reclamation,
Mining and Safety

Department of Natural Resources

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: Providence Mine	MINE/PROSPECTING ID#: M-2012-052	MINERAL: Silver and gold	COUNTY: Teller
INSPECTION TYPE: Monitoring	INSPECTOR(S): Elliott R. Russell	INSP. DATE: August 28, 2019	INSP. TIME: 12:00
OPERATOR: Cripple Creek & Victor Gold Mining Company	OPERATOR REPRESENTATIVE: Justin Bills and Katie Blake	TYPE OF OPERATION: 110d - Designated Limited Impact	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$17,200.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: October 4, 2019

GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(AR) RECORDS----- <u>Y</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(OT) OTHER----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(RD) ROADS----- <u>Y</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(EX) EXPLOSIVES----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(TS) TOPSOIL----- <u>Y</u>
(SM) SIGNS AND MARKERS----- <u>PB</u>	(SP) STORM WATER MGT PLAN---- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>N</u>	(ST) STIPULATIONS----- <u>PB</u>

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

PROBLEMS/POSSIBLE VIOLATIONS

INSPECTION TOPIC: Availability Of Records

COMPLIANCE PROBLEM #1: The mine identification sign posted at the entrance of the mine site listed the wrong permit number. This is a problem for failure to post a mine identification sign in accordance with Rule 3.1.12(1).

CORRECTIVE ACTIONS: The operator shall, at the entrance of the mine site, post a sign which shall be clearly visible from the access road with the following: the name of the operator, a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and the permit number. The operator shall submit photo documentation that a proper sign has been posted by the corrective action date.

CORRECTIVE ACTION RESOLED: September 27, 2019

INSPECTION TOPIC: Permit Stipulations

COMPLIANCE PROBLEM #2: A super sack of ore or waste rock was observed on the surface of the mine site near the Sangre de Christo Tunnel portal. The Division has no record of a geochemical analysis for this material in accordance with Stipulation No. 1 of the approved permit.

CORRECTIVE ACTIONS: The Operator shall conduct testing on the stockpiled material in accordance with the approved permit OR remove this material from the surface of the site and dispose of it appropriately.

CORRECTIVE ACTION RESOLED: September 27, 2019

OBSERVATIONS

This inspection was conducted as part of the Division's routine monitoring program for permitted operations. Elliott Russell, with the Division, conducted the inspection while Justin Bills and Erik Munroe, representing the Operator, accompanied the inspection.

The Providence Mine is a 110d gold and silver operation and is approved to affect 9.93 acres of land. Affected lands will be reclaimed to support rangeland post-mining land use. The site is located one-half mile northeast of Cripple Creek, Colorado. The site consists of the Sangre de Christo Tunnel area (9.35 acres) and the Air Raise area (0.58 acres).

Availability Of Records: Annual fees are paid through October 2019. The previous inspection was on July 12, 2018; there are no open infractions. On January 23, 2019, the Mined Land Reclamation Board approved Notice of Temporary Cessation (TC-01) of the site. The Operator submitted TC-01 to allow time for the Operator to decide to either incorporate the site into the active Cresson Project (Permit No. M-1980-244) through an Amendment or to begin final reclamation. TC-01 is slated to end July 5, 2023

Hydrologic Balance: No standing water or exposed groundwater was observed at the site. The Sangre de Christo Tunnel portal was dry and no evidence of drainage observed.

Gen. Compliance With Mine Plan: The operation appeared to be in compliance with the approved mine plan. Google Earth was used to measure the disturbed area, which was estimated to be approximately 2.6 acres.

Financial Warranty: The Division evaluated the reclamation cost estimate and determined the \$17,200 bond held by the Division is adequate for the observed mine disturbance.

Sediment Control: The Division observed the repair work previously completed on the storm water containment berm around the crest of the Sangre de Christo Tunnel area. There are no issues of sediment control at this time.

Off-site Damage: The operation appeared to be confined to the permit boundary and no off-site damage was observed.

Signs and Markers: The permit signed listed an incorrect permit number which will need to be corrected. This was cited as Compliance Problem #1, however, the Operator resolved this problem by submitted photo documentation of the corrective action after the inspection but prior to the date of this report on September 27, 2019.

Revegetation: An infestation of musk thistle, a List B noxious weed, was observed the previous inspection. The Operator treated the weeds following that inspection. More musk thistle was observed during this inspection, however, the Division observed evidence that these weeds had recently been sprayed. The Operator should monitoring the site to ensure the treatment was effective at eradicating the musk thistle.

Permit Stipulations: The Division observed a small super-sack of ore or waste rock near the entrance to the Sangre de Christo Tunnel portal. Stipulation No. 1 of the approved permit states: *The permittee will commit to performing annual testing of ore and waste rock if removed to the surface of the permit area. Results to be included with Annual Report.* The permit file doesn't contain any information regarding the results of any Meteoric Water Mobility Procedure (MWMP) characterization of the geochemistry and leaching potential of this stockpiled material. This has been cited as Compliance Problem #2 requiring corrective action; please see the second page of this report for more information. The Operator stated this sack was accidentally left behind during the corrective action of the previous inspection report of the same cited problem. The Operator resolved this problem by submitted photo documentation of the corrective action after the inspection but prior to the date of this report on September 27, 2019.

This concludes the Division's Inspection Report; a subset of photographs taken during the time of the inspection are included below. If you need additional information or have any questions, please contact me at Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at **303-866-3567 x8132**, or by email at elliott.russell@state.co.us.

PHOTOGRAPHS



Photo 1. Mine sign with an extra "0" in the permit number; looking west.



Photo 2. Sack of ore or waste rock near tunnel entrance; looking north.



Photo 3. Repaired storm water berm; looking northwest.

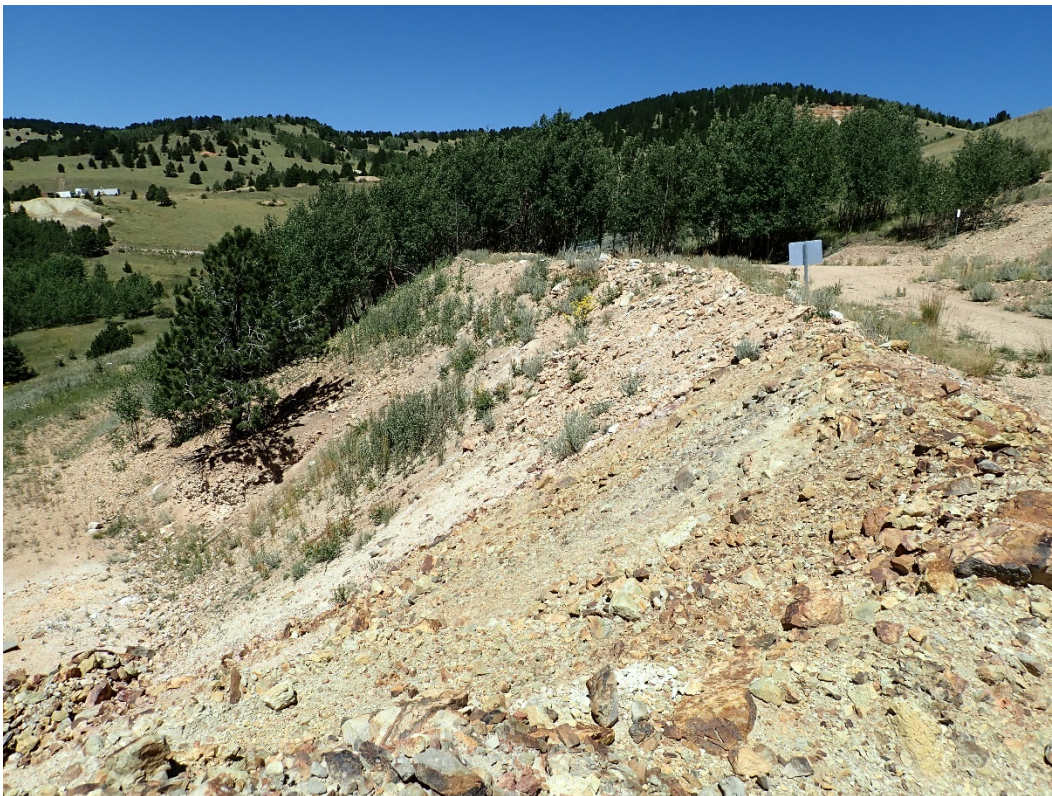


Photo 4. Waste rock dump; looking north.



Photo 5. Musk Thistle showing signs of recent treatment; looking southeast.

Inspection Contact Address

Justin Bills
Cripple Creek & Victor Gold Mining Company
100 N 3rd Street
Victor, CO 80860

