




**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> Cresson Project	<b>MINE/PROSPECTING ID#:</b> M-1980-244	<b>MINERAL:</b> Gold	<b>COUNTY:</b> Teller
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Brock Bowles	<b>INSP. DATE:</b> March 2, 2022	<b>INSP. TIME:</b> 09:45
<b>OPERATOR:</b> Cripple Creek & Victor Gold Mining Compar	<b>OPERATOR REPRESENTATIVE:</b> Katie Blake	<b>TYPE OF OPERATION:</b> 112d-3 - Designated Mining Operation	
<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> None	<b>BOND AMOUNT:</b> \$209,491,188.00	
<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> April 8, 2022	

**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). Katie Blake 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 cool, clear, and the ground was partly snow covered and muddy.

This inspection included the following facilities and areas:

- ECOSA Seep and Clay Borrow Area
- Schist Island Backfill Area
- LOB Conveyor
- VLF 1 and 2
- ADR 2 PSSA Remote Check

### **-ECOSA seep and Clay Borrow Area**

The area is being backfilled to stabilize the toe of the slope. The material being used to backfill is from non-ore processing projects on-site. The area has been graded and sloped to the north (photo 1). The runoff is directed to a large pit on the east side of the access road. The rills and gullies on the reclamation above the clay borrow area have not been repaired. A consultant has been hired to investigate the causes and come up with a new design for the reclaimed area. There is no estimated timeline as to when the repair work will happen. The spring pond was frozen, snow covered and appeared to be very low (photo 2). No discharge was noted and a pump was onsite.

### **Schist Island Backfill Area**

The backfilling of the bowl feature of the Schist Island project was completed. A bulldozer had begun removing the excess material from within the bowl feature to expose the compacted soil (photo 3). The excess material will be removed from the bowl area and used as backfill elsewhere in the project area. The east end of the Schist Island was also being backfilled in (photo 3). This area is not part of the bowl construction.

### **LOB Conveyor**

The conveyor from the crusher to the high grade mill was not in operation. A loader tractor developed a bulge in one of its tires in the vicinity of the crusher. This created a dangerous situation to personnel. The area around the loader was evacuated and the crusher was shut down until the situation is resolved.

### **VLF-1 & VLF-2**

The 10,400 layer was inspected. Solution was being applied through irrigation drip lines. Some small ponding was seen but all the puddles were less than 9 square feet in size (photo 4). There were several patches of snow. The 10,200 layer was observed from the access road. Solution was being applied to this layer as well and no puddles were observed.

The VLF 2 was observed from the overlook point with binoculars. No ponding of solution was seen. It should be noted the VLF2 has gotten to a level that is almost even with the overlook. A higher vantage point should be considered for inspection purposes.

### **ADR-2**

The VLF water levels were checked at the ADR-2 facilities using the remote system. The readings were recorded on the attached data sheet. No exceedances were noted.

**PHOTOGRAPHS**



Photo 1 – Clay borrow area graded and sloped to north, photo facing south



Photo 2 – ECOSA seep pond on west side of access road, facing south



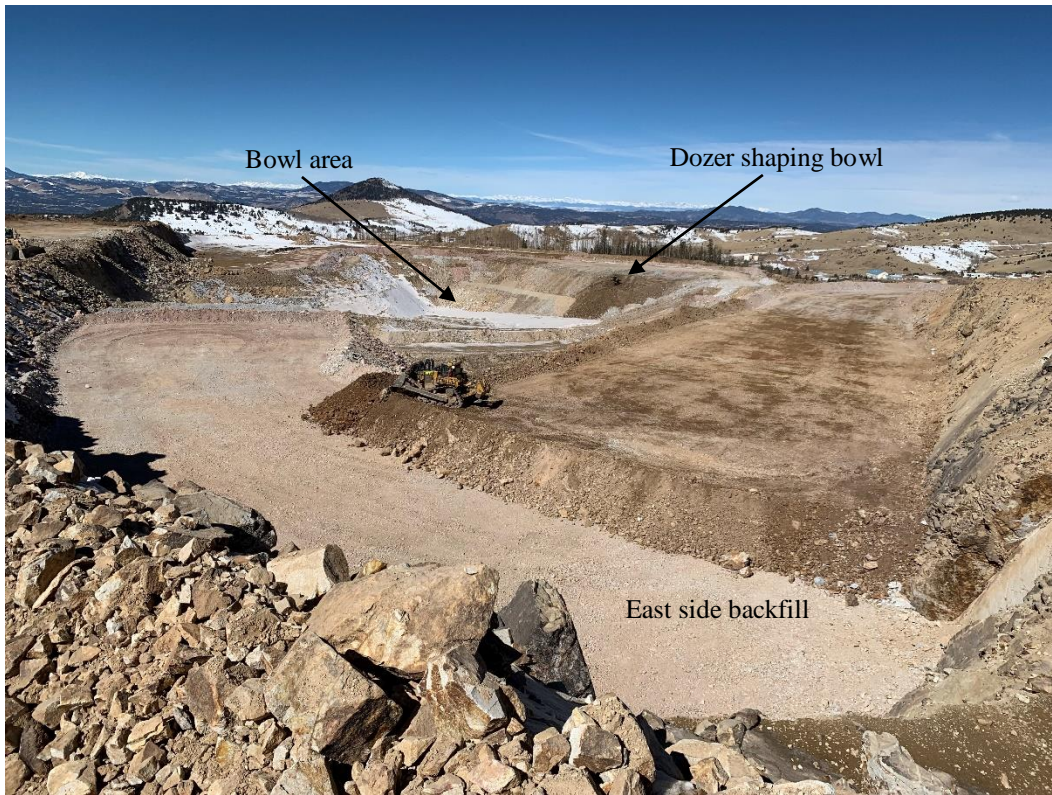


Photo 3 – Schist Island project area, facing west.



Photo 4 – VLF-2, 10,400 layer





Photo 5 – VLF-2, 10,200 layer

**Inspection Contact Address**

Katie Blake  
Cripple Creek & Victor Gold Mining Company  
P. O. Box 191  
Victor, CO 80860

Enclosure

CC:

## CC&amp;V VLF Water Level Inspection Readings

## Previous Results

Date:		5/27/21	9/28/21	1/27/22	3/2/22		Notes
<b>VLF1:</b>	<b>EPS:</b>	ERR	TC1	ERR	BFB		
<b>Phase I HVSC &amp; Pond Piezometers</b>	<b>TIME:</b>	11:04	13:01	13:09	13:10		
Max. of Pump #299, #300, #301, #302, or #303 (Circle Pump #)	(ft)	52.4	54.1	49.3	44.5		
<a href="#">Note: 80% cap. @ 63.75 ft</a>	<b>Pond Lvl / XDCR #1</b>	(ft)	53.5	50.4	47.9	43.9	
	System Press / XDCR #2	(ft)	45.0	n/a	n/a	n/a	
<b>Phase I Low Volume Solution Collection</b>	<b>TIME:</b>	11:18	13:33	13:09	13:10		
<a href="#">Note: Req'd &lt; 2 ft</a>	Piezo #1 (HAND)	(ft)	0.46	0.53	0.47	0.73	
	Piezo #2 (AUTO)	(ft)	0.48	0.51	0.66		
<b>Phase II &amp; III HVSC &amp; Pond Piezometer</b>	<b>TIME:</b>	11:33	13:03	13:10	13:10		
Max. of XDCR #4, #5, or #6 (Circle XDCR #)	(ft)	32.0	30.6	22.0	29.6		
<a href="#">Note: 80% @ 49.4 ft</a>	<b>Piezo (Pipe)</b>	(ft)	35.0	39.8	31.6		
<b>Phase II &amp; III Low Volume Solution Collection</b>	<b>TIME:</b>	11:46	13:31	13:10	13:10		
<a href="#">Note: Req'd &lt; 2 ft</a>	Pump / XDCR #1 (AUTO)	(ft)	0.53	0.56	3.68"	3.65	
	Pump / XDCR #2 (AUTO)	(ft)	0.48	0.47	3.68"		
<b>Phase IV High Volume Solution Collection</b>	<b>TIME:</b>	12:39	13:07	13:11	13:10		
Max. of Pump #307, #308, or #309 (Circle Pump #)	(ft)	18.5	23.9	35.8	44.9		
<a href="#">Note: 80% cap. @ 56.5 ft</a>	<b>XDCR pipe (#310 Resv'd)</b>	(ft)	37.9	38.5	38.2		
<b>Phase IV Low Volume Solution Collection</b>	<b>TIME:</b>	12:39	13:02	13:11	13:10		
<a href="#">Note: Req'd &lt; 24"</a>	Pump / XDCR #1	(in)	13.1	14.2	10.9	10.8	
	Pump / XDCR #2	(in)	10.7	11.1	11.8	10.7	
<b>Phase V High Volume Solution Collection</b>	<b>TIME:</b>	10:41	13:06	13:11	13:10		
Max. of XDCR #311, #312, #313, or #314 (Circle XDCR #)	(ft)	24.0	28.7	27.0	28.8		
<a href="#">Note: 80% cap. @ 36.5 ft</a>							
<b>Phase V Low Volume Solution Collection</b>	<b>TIME:</b>	10:37	13:05	13:12	13:10		
<a href="#">Note: Req'd &lt; 24"</a>	XDCR #001	(in)	8	14.5	11.7	11.7	
	XDCR #002	(in)	16.1	n/a	n/a	n/a	
<b>External Pond Low Volume Solution Collection</b>	<b>TIME:</b>	11:10	13:36				
<a href="#">Note: Req'd &lt; 24"</a>	Pump / XDCR #1-EXT (AUTO)	(in)	12.3	9.5	--	--	
	Pump / XDCR #2-EXT (AUTO)	(in)	17.5	16.3	--	--	
<b>Underdrain Discharge Area</b>	<b>TIME:</b>						
South Underdrain (S U/D)	(gpm)		--	--	--		
4" Pipe Discharge AG 01 Spring Pipe	(gpm)		--	--	--		
<a href="#">Note: 1 l/sec = 15.85 gpm</a>	NPDES Discharge AG 1.5 -001A	(gpm)		--	--		
North Underdrain (N U/D)	(gpm)		--	--	--		
24-inch Solid Pipe	(gpm)		--	--	--		
<b>Arequa Gulch Monitor Well Pumpback System</b>	<b>TIME:</b>						
63B	(ft)		--	--	--		
<a href="#">Data first collected by DRMS 3/8/12</a>	123C	(ft)		--	--		
	B63	(gpm)		--	--		
	123C	(gpm)		--	--		
<b>VLF2 High Vol. SC:</b>	<b>TIME:</b>	12:18	13:08	13:13			
LIT #88301 (north end)	(ft)	54.7	62.1	58.9	--		
<a href="#">Note: 80% cap. @ 94 ft</a>	LIT #88303	(ft)	53.0	60.8	55.0	--	
	LIT #88305	(ft)	54.2	62.1	59.7	--	
	LIT #88307 (south end)	(ft)	54.0	62.2	60.7	--	
	<b>Piezometer-LIT #88314</b>	(ft)	67.2	73.9	68.8	--	
<b>VLF2 Low Vol. SC:</b>	<b>TIME:</b>	12:18	13:09	13:13			
<a href="#">Note: Req'd &lt; 24"</a>	Leachate Pump 1	(in)	10.9	9.9	12.2	--	
	Leachate Pump 2	(in)	9.3	8.1	10.3	--	