




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: Willow Creek Mine	MINE/PROSPECTING ID#: M-1983-011	MINERAL: Gold	COUNTY: Lake
INSPECTION TYPE: Multi Person Inspection	INSPECTOR(S): Lucas West	INSP. DATE: September 7, 2022	INSP. TIME: 09:33
OPERATOR: Mt. Elbert Mining Co., L.L.C.	OPERATOR REPRESENTATIVE: Dennis Sonnenschein	TYPE OF OPERATION: 112 - Hard Rock Regular Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$190,000.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: September 28, 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>Y</u>	(FN) FINANCIAL WARRANTY----- <u>N</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>Y</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</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>Y</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 as part of the normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety's Active Mines Program as well as at the request of the Operator to have an onsite discussion centered on a proposed expansion of the current Permit Area. The Willow Creek Mine is an active 112 operation located approximately 9.6 miles southwest of Leadville, CO and is accessed from County Road 24. The site consists of 112.44 Permitted acres on a combination of private land as well as lands administered by the US Forest Service. In addition to the Operator and Inspector listed on page one of this report, Amy Titterington of the US Forest Service and Angela Bellantoni of Environmental Alternatives, Inc., a consultant for the Operator were present during the inspection. The Division currently holds \$190,000.00 in Financial Warranty for the site. A Reclamation Cost Estimate Update was not performed as a result of this inspection due to the pending Permit Amendment. The required Financial Warranty amount will be calculated as part of the Amendment Process. Seven Photos accompany this report.

The operation involves the excavation of glacial till material that is processed in pursuit of placer gold deposits. Material is excavated by way of excavators and loaders, then processed through a trommel machine and run through a series of ponds and other separation equipment to recover gold. The process involved in the processing and separation are purely mechanical and no chemical extraction or flotation is involved in the operation. The site was not active at the time of the inspection however mining and processing equipment was present on site. The proper Mine Identification signage is posted at the entrance to the site and can be seen in Photo One. Public access to the site is controlled by a gate just outside of the encampment area.

The active excavation area, shown in Photo Two was observed to be in good condition and stable. Material has been removed from the hillside proceeding northwest from the processing area. The excavation showed no signs of sloughage or erosion and was in good condition. Throughout the site several stockpiles of virgin material as well as mid processed material were observed. All observed stockpiles were stable at the time of the inspection and examples of them can be seen in Photos Three and Four. At various locations throughout the site, topsoil stockpiles were observed. The stockpiles are well vegetated and stable. On site equipment observed included the large main trommel, with associated stackers and conveyors, diesel generators, small test trommels and various excavation equipment. All equipment appeared to be in good working order and examples of the equipment can be seen in Photos Five and Six. The series of processing ponds involved in the operation were observed to be in good condition and all contained standing water. The banks of the ponds appeared stable and no evidence of significant sloughage was noted. The water in the ponds appeared murky but no visual evidence of impaired water quality was observed. An aerial view of the site with the ponds can be seen in Photo Seven.

No signs of significant erosion, settling or slumping were noted during the inspection. The site does have an active weed management plan, however several pockets of noxious weeds were identified. This is not being cited as a problem at this time, but the Operator should engage in a fall weed management effort before this becomes a problem. The scrap/lay down area was observed in the northern portion of the Permit Area. This area is being used for storage of broken down and discarded equipment and various other items. Conversations with the Operator indicate that items stored here are awaiting transportation to the scrap yard. The overall footprint of the site is in good condition and consistent with an active operation. All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety's Active Mines Program at 1001 E. 62nd Ave., Room 215 Denver, CO 80216. Direct contact can be made at the Division's Grand Junction Field Office, by phone at 303-866-3567 Ext. 8187 or by email at lucas.west@state.co.us.

PHOTOGRAPHS



Photo One: View West, showing the proper Mine ID signage posted at the entrance to the site.



Photo Two: View northwest, showing the active excavation area as well as stockpiled material. The excavation and stockpiles were stable at the time of inspection.





Photo Five: View Northeast, showing the trommel, generator set and conveyors involved in the processing of material on site.



Photo Six: View North, showing the two small test trommels that were observed on site. All observed equipment appeared to be in good working order.



Inspection Contact Address

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Enclosure

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