




**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 and silver	<b>COUNTY:</b> Teller
<b>INSPECTION TYPE:</b> Monitoring	<b>WEATHER:</b> Clear	<b>INSP. DATE:</b> September 14, 2022	<b>INSP. TIME:</b> 08:00
<b>OPERATOR:</b> Cripple Creek & Victor Gold Mining Company	<b>OPERATOR REPRESENTATIVE:</b> Johnna Gonzalez, Maria Bujenovic	<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>INSPECTOR(S):</b> Patrick Lennberg	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> October 26, 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>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</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>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>Y</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 was a normal monitoring inspection of the Cresson Project (Permit No. M-1980-244) conducted by Patrick Lennberg of the Division of Reclamation, Mining and Safety (Division). The Division was accompanied by Jeana Ratcliff and others during the inspection. This is a 112d-3 Designated Mining Operation (DMO) permitted for 6,007 acres to mine and process gold ore. The site is located between the towns of Cripple Creek and Victor in Teller County. The approved post-mining land use is a combination of rangeland and wildlife habitat. Photos 1-14 taken during the inspection are included with this report.

This inspection included the following facilities and areas:

- ECOSA Seeps,
- Schist Island Backfill/Phase III,
- Arequa Gulch Valley Leach Facility (VLF1) Overview, and
- Squaw Gulch Valley Leach Facility (VLF2) Overview

The weather was clear and mild.

### **East Cresson Overburden Storage Area (ECOSA) Seep:**

The Division inspected the seep areas located along the eastern toe of the ECOSA. Both seep locations were holding water. The water was reddish-brown in color at both locations and for the north location it was difficult to determine the depth of water. The southern seep area has been reconfigured since that last time the inspector was at the ECOSA in June 2022. The southern seep has been regraded for safety reasons and better volume tracking of seep water accumulation. The new seep configuration has a capacity of 2,305 cubic feet or 17,200 gallons. The staff gauge that was present indicated there was approximately 1 foot of water in the basin. Water was observed flowing into the trench from the south/southeast. The second seep, furthest to the north, was holding water at the time of inspection. The Operator indicated there were plans to reconfigure the north seep area much like the southern seep area. Pumping of both seeps had increased to daily and depending on weather the seep collection basins were pumped twice a day. Water removed from the seeps is transported and dumped onto a lined facility (one of the valley leach facilities). The Operator indicated the seeps to react to precipitation events and over the past couple of months the area has received more precipitation than the same time as last year.

Following this inspection the Operator submitted their monthly GVMW-25 sampling results on September 26, 2022 for samples collected in August. On September 30, 2022 the Division issued a problem citation for failure to minimize disturbances to the prevailing hydrologic balance. Corrective actions included monthly sampling of water from both seeps, GVMW-25, and a new surface water location down-gradient of GVMW-25 near the permit boundary, GV-06. Additionally, the Operator is to submit a Technical Revision to revise the surface water sampling plan and map to incorporate the new creek monitoring location, and a detailed monitoring and reporting program for the ECOSA seeps. This revision must also include a short term plan for management of the seep during active mining operations and a long term plan for final closure of the mine which prevents or minimizes any further impacts to the hydrologic balance by the ECOSA

### **Schist Island Pit/Phase III Area Overlook**

The Division observed, from a distance, the placement of drain rock material that is being placed over 100 mil liner. The area observed is the VLF2 Phase III PSSA and is main collection area for leached solution that is then pumped to the ADR. The area is constructed of a multilayered system consisting of; first layer is one foot minimum layer of soil fill (clay), second is a sheet of 100 mil double sided LLDPE, third is a 3 foot thick (minimum) layer of drain cover fill (DCF) material that drains to the low volume solution collection system, forth is another layer of 100 mil LLDPE, and the final layer is 2 feet (minimum) layer of DCF to protect from ore material placement. The Division observed the first layer of DCF material being placed over 100mil liner.

### **Maize Gulch Valley Leach Facility (VLF2) Overview**

The Division observed VLF2 area from near the Brahma Warehouse. The operation is currently placing lifts, 10,100 foot level, with run of mine material mixed with cement material, which is dispensed directly into the truck beds. Additionally, crushed material is also being placed in lifts. The Division inspected active leaching surfaces, 10,100 foot level. The operation is required to minimize ponding of leaching solution to less than 3 feet by 3 feet in area. This is to prevent the ponds from being a wildlife attractant. Active leaching areas appeared to be well-ripped to minimize ponding. No ponding was observed.

### **Arequa Gulch Valley Leach Facility (AGVLF or VLF1):**

The current and maximum elevation of ore placement in the AGVLF is 10,400 feet (for Phase V). The Division inspected active leaching surfaces on the AGVLF. These surfaces were well saturated and ponding of leachate, greater than 3 feet by 3 feet, was common. In addition, ponding of leachate was observed on the lower 10,200 foot level. At that time the Operator indicated they were getting close to taking down the misters and sprinklers because seasonal weather conditions changing and freezing conditions becoming common. At the time of writing this inspection report the Operator indicated the areas were ripped to eliminate the ponding areas and winter weather conditions are common at the site now, therefore the Division will not cite a problem for ponding leachate.

Please contact Patrick Lennberg (303)866-3567 ext. 8114 or email at [patrick.lennberg@state.co.us](mailto:patrick.lennberg@state.co.us) if you have any questions regarding this report.

### **Inspection Contact Address**

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**PHOTOGRAPHS**



**Photo 1:** Looking at the north seep along the toe of the ECOSA



**Photo 2:** Looking at the north seep along the toe of the ECOSA





**Photo 3:** An adjacent north seep pond area that conveys seep water to the seep pond pictured above to allow for safe pumping conditions



**Photo 4:** North seep complex





**Photo 5:** Reconfigured south seep area



**Photo 6:** South seep area in June 2022





**Photo 7:** Reconfigured south seep area, looking north



**Photo 8:** Toe ditch collecting seep water and directing it to the southern seep, looking south





**Photo 9:** Overview of the southern seep area, looking northwest



**Photo 10:** Schist Island Phase II mining area





**Photo 11:** DCF processing area for VLF2 Phase III PSSA construction



**Photo 12:** DCF placement on the Phase III PSSA construction area





**Photo 13:** A view looking north from VFL1 10,400' level down to the 10,200 level



**Photo 14:** A view looking north from VFL1 10,400' level down to the 10,200 level note ponding areas.