



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: Cresson Project	MINE/PROSPECTING ID#: M-1980-244	MINERAL: Gold and silver	COUNTY: Teller
INSPECTION TYPE: Monitoring	INSPECTOR(S): Timothy Cazier, P.E.	INSP. DATE: August 23, 2022	INSP. TIME: 09:30
OPERATOR: Cripple Creek & Victor Gold Mining Company	OPERATOR REPRESENTATIVE: Johnna Gonzalez & Tony Matarrese	TYPE OF OPERATION: 112d-3 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$209,491,188.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Cloudy	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: November 21, 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>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>Y</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>Y</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>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</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

Tim Cazier (DRMS) conducted a regular monitoring inspection of the site on Tuesday, August 23, 2022. Ms. Johnna Gonzalez and Mr. Tony Matarrese represented CC&V for the duration of the inspection. The planned inspection agenda included the following facilities and areas:

- High Grade Mill focusing on TR-130, Stormwater management;
- VLF 2 Phase III construction

High Grade Mill Stormwater: The DRMS is in the process of reviewing TR-130, having provided four rounds of adequacy letters as of November 17, 2022. Based on discussions with site representatives during the inspection, the objective for TR-130 is to divert as much runoff that currently reports to the HGM area away from the mill platform, while directing meteoric water falling directing on the mill platform to VLF2 via the small barren line (see **Photo 1**), which would be pumped to the ADR2 Spent solution tank.

Meteoric water falling on the HGM side of VLF1 would be directed to the New Sump (see **Photo 2**). During the inspection, discussions were had over the importance of managing water in the New Sump in accordance with the Wildlife Protection Plan requiring ponded process water to be less than 3 ft. x 3 ft. Site representatives stated the New Sump are could not be ripped given the vertical proximity to the VLF1 liner. CC&V's response (dated 11/7/2022) to the DRMS' third adequacy review letter committed to: A) manage water in the New Sump area as process water; and B) If ponding is identified in the "New Sump" area that is larger than 3-feet by 3-feet, operators will hand excavate if necessary to allow for ponded water to infiltrate. [*The New Sump was originally designated as such with the submittal of TR-79 in July 2016. It is no longer "new" and frequently causes initial confusion when referred to in permitting/revision documentation as it implies a new sump is being proposed or added to the system. [In order to prevent future confusion, the DRMS strongly recommends renaming the "New Sump", to something more descriptive.](#)*] The name change could be presented in the response to our fourth adequacy review letter.

Meteoric water currently reporting to the HGM from the area east of the Load Out Bin (LOB) is planned to be diverted to the Detention Pond (see **Photo 3**, identified/located in TR-130). Stormwater reporting to the Detention Pond would be directed to EMP 11 (see **Photo 4**) via a proposed riser pipe inlet in the Detention Pond and proposed gravity flow pipeline paralleling the LOB conveyor (see **Photo 5**).

VLF 2 Phase III construction: Mr. Jeff Gaul was present for the overview and status update for the Phase III construction. Mr. Gaul stated all the PSSA liner (~550 thousand square feet, including soil liner fill and 100 mil thickness plastic liner) had been installed (see **Photo 6**) and was awaiting drain cover fill (DCF). Low Volume Solution Collection fill was being processed south of the Phase III area (see **Photo 7**).

Close-out meeting: The following items related to the New Sump were discussed and subsequently addressed in the November 7th third adequacy response letter:

- The need to adhere to the approved wildlife protection plan with less than 3 ft. x 3 ft. of ponded process water.
- How to ensure the infiltration of process water in the New Sump without mechanical ripping.

PHOTOGRAPHS



Photo 1. Small barren line to ADR2 (looking east towards the HGM)

PHOTOGRAPHS (cont.)



Photo 2. New Sump (new in 2016, TR-79) area (looking north from VLF1 overlook).



Photo 3. Detention Pond to be improved with a riser inlet (looking north towards the LOB).

PHOTOGRAPHS (cont.)



Photo 4. EMP 11 (looking south from between the Phase IV pumps and the crusher)



Photo 5. Proposed pipe alignment from the Detention Pond (looking north).

PHOTOGRAPHS (cont.)



Photo 6. Installed VLF2 Phase III PSSA liner above the HGM (looking west towards Cripple Creek).



Photo 7. Processing LVSC fill for Phase III VLF2 (looking west, PSSA liner on right).

Inspection Contact Address

Johnna Gonzalez
Cripple Creek & Victor Gold Mining Company
P. O. Box 191
Victor, CO 80860

ec: Michael Cunningham, DRMS
Amy Eschberger, DRMS
Elliott Russell, DRMS
Patrick Lennberg, DRMS
DRMS file
Katie Blake, CC&V
Johnna Gonzalez, CC&V