




MINERALS PROGRAM INSPECTION REPORT

PHONE: (303) 866-3567

The Division of Reclamation, Mining and Safety 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: Dixie Mine	MINE/PROSPECTING ID#: M-2015-028	MINERAL: Silver and gold	COUNTY: Clear Creek
INSPECTION TYPE: Monitoring	WEATHER: Raining	INSP. DATE: June 16, 2023	INSP. TIME: 12:00
OPERATOR: Teton Drilling Inc.	OPERATOR REPRESENTATIVE: Mike Jones	TYPE OF OPERATION: 110(1) - Hard Rock Limited Impact	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Partial Bond	BOND AMOUNT: \$14,500.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Peter Hays	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: June 27, 2023	

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>Y</u>	(RD) ROADS----- <u>Y</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>Y</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>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>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

The Dixie Mine was inspected by Peter Hays with the Division of Reclamation, Mining and Safety (Division/DRMS) as part of the Division's monitoring inspection program. Mr. Mike Jones and Mr. Steve Jones with Teton Drilling Inc. were present during the inspection. The site was previously inspected by the Division on September 9, 2021 for a citizen compliant (CT2).

The Dixie Mine is permitted under a Hard Rock 110(1) Reclamation Permit and the commodities of interest are gold and silver. The site is located approximately 5.5 miles west of Idaho Springs, in Clear Creek County. The operation is permitted to affect 4.75 acres and the approved post-mining land use is forestry. The Division holds a financial warranty in the amount of \$14,500.00, which appears adequate to reclaim the current disturbance at the site. The mine sign and boundary markers were observed as required by Rule 3.1.12.

The approved Mining Plan states the operation will remove limited amounts of material from a thin vein which varies from 6 inches to 3 feet in width using an excavator. The total length of the trench will be less than 350 feet with a width of between 6 to 10 feet. The amount of material to be removed is estimated at between 500 to 2,500 cubic yards per year. The total operation is estimated at less than 5,000 to 6,000 cubic yards over the life of the mine.

The site was active during the inspection. Mining extraction was not observed, however the Operator reported mining activity occurred recently. An excavator was observed at the north end of the trench and the site appeared to have been recently operational. The trench is divided into two (2) cells, north and south. Mining extraction occurs in the north cell and the south cell is used to hold process water and is backfilled with the waste material from the mill. The on-site mill consisting of a jaw crusher, ball mill, duplex jigs, water troughs and other components were observed during the inspection. The mill was under repair at the time of the inspection. The Operator stated the mill was operational this year. Overall, the site appeared to be in compliance with the approved Mining Plan.

Photographs taken during the inspection are attached. If you need additional information or have any questions, please contact me at the Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at 303.866.3567 x 8124, or by email at peter.hays@state.co.us.

Inspection Contact Address

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Ec: Jared Ebert, DRMS

PHOTOGRAPHS



View of the trench excavation from the south end looking north



View of the south cell of the trench (water source and backfill area)



View of the north cell of the trench (excavation area)



View of grizzly and conveyor



View of the jaw crusher



View of the ball mill



View of the jig table



View of the water troughs