



STATE OF
COLORADO

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M1995097, Smuggler Mine Inspection Report

Simmons - DNR, Leigh <leigh.simmons@state.co.us>

Mon, Jul 1, 2024 at 4:13 PM

To: utecitylandworks@hughes.net

Cc: per@xcelera.com

Chris,

The Inspection Report from the June 11, 2024 inspection is attached.

Please note that action on your part is required.

Please let me know if you have any questions.

Leigh Simmons
Environmental Protection Specialist



COLORADO
Division of Reclamation,
Mining and Safety
Department of Natural Resources

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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: Smuggler Mine	MINE/PROSPECTING ID#: M-1995-097	MINERAL: Silver, lead, zinc and	COUNTY: Pitkin
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: June 11, 2024	INSP. TIME: 09:00
OPERATOR: Aspen Smuggler Mine LLC	OPERATOR REPRESENTATIVE: Chris Preusch	TYPE OF OPERATION: 110(2) - Hard Rock Limited Impact	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: Complete Bond	BOND AMOUNT: \$89,950.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
INSPECTOR(S): Leigh Simmons	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: July 1, 2024

The following inspection topics were identified as having Problems or Possible Violations. OPERATORS SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF THE PERMIT AND APPLICABLE RULES AND REGULATIONS. If a Possible Violation is indicated, you will be notified under separate cover as to when the Mined Land Reclamation Board will consider possible enforcement action.

INSPECTION TOPIC: Signs & Markers

PROBLEM/POSSIBLE VIOLATION: Problem: The mine identification sign posted at the entrance of the mine site showed inaccurate information. This is a problem for failure to post a mine identification sign as required by Section 3.1.12(1) of the rule. The Operator shall, at the entrance of the mine site post a sign, which shall be clearly visible from the access road, with a minimum size equaling one hundred and eighty-seven (187) square inches, such as eleven (11) inches in height and seventeen (17) inches in width, with appropriate font size, with the following: the name of the Operator, a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and the permit number.

CORRECTIVE ACTIONS: The operator shall, at the entrance of the mine site, post a sign which shall be clearly visible from the access road with the following: the name of the operator (Aspen Smuggler Mine, LLC.), a statement that a reclamation permit for the operation has been issued by the Colorado Mined Land Reclamation Board; and the permit number (M-1995-097). The operator shall submit photo documentation that a proper sign has been posted by the corrective action date.

CORRECTIVE ACTION DUE DATE: 8/01/24

OBSERVATIONS

This inspection was conducted as part of the normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety (Division). The inspection was conducted by Leigh Simmons of the Division, and accompanied by Chris Preusch of Aspen Smuggler Mine, LLC. (permittee and operator).

The Smuggler Mine is a 110(2) operation with a total permit area of 9.9 acres, located north-east of the City of Aspen, just outside the city boundary, with access off Smuggler Mountain Rd. The site was active at the time of the inspection.

The mine permit area is within the boundary of Operable Unit 2 of the Smuggler Mountain Superfund Site. Remediation work was completed in the 1990s, but the superfund designation, together with associated restrictions, remains. The mine itself is associated with extensive historic underground workings. According to Mr. Preusch, the ore body has been well characterized and is of significant value, but logistical difficulties with transportation and processing mean that large scale mining at the site is not currently economically feasible. A small quantity of ore is mined annually and stored within the workings. In 2015 the permit was revised with TR-1 to allow for dual use, tourist/mining.

Part of the lower bench had been leased to a rafting company.

The locations of photos taken during the inspection are shown on the screenshot of the field map.

Financial Warranty:

The Division currently holds a reclamation bond of \$89,950 for the site. The Reclamation Cost Estimate was re-evaluated with current unit costs as of 7/1/2024; the amount held is adequate to complete outstanding reclamation tasks.

Signs and Markers:

The Mine ID sign showed inaccurate information. A problem has been cited above.

MAP & PHOTOGRAPHS



Figure 1: Screenshot of inspection map, showing permit boundary in purple, and point locations of photographs in green



Figure 2: Entrance to the site (point 282)



Figure 3: Error on Mine ID sign



Figure 4: Entrance to Tunnel No. 2 (point 283)



Figure 5: Overview of site from bench on No. 2 Dump (point 283)



Figure 6: Tracks on bench on No.2 Dump (point 283)



Figure 7: Office building (point 283)



Figure 8: Waste collection area (point 284)



Figure 9: Middle bench (point 285)



Figure 10: Part of lower bench leased to rafting company (point 286)



Figure 11: Fuel storage (point 287)



Figure 12: Storage shed on lower bench



Figure 13: Stormwater containment area

GENERAL INSPECTION TOPICS

The following list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each

(AR) RECORDS----- <u>N</u>	(FN) FINANCIAL WARRANTY----- <u>Y</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>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>PB</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

Inspection Contact Address

Chris Preusch
Aspen Smuggler Mine LLC
420 E. Main St.
Aspen, CO 81611

Enclosure

CC: