



STATE OF  
COLORADO

West - DNR, Lucas <lucas.west@state.co.us>

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## Inspection Report, June 26, 2024 Cresson Project M-1980-244

1 message

**West - DNR, Lucas** <lucas.west@state.co.us>

Mon, Jul 29, 2024 at 2:37 PM

To: Katie.Blake@newmont.com, johnna.gonzalez@newmont.com, "Russell - DNR, Elliott" <elliott.russell@state.co.us>, Zach Trujillo - DNR <zach.trujillo@state.co.us>, "Ridley - DNR, Hunter" <hunter.ridley@state.co.us>, Nikie Gagnon - DNR <nikie.gagnon@state.co.us>, "Lennberg - DNR, Patrick" <patrick.lennberg@state.co.us>

Good Afternoon Katie,

Please find the attached inspection report from my inspection last month. A hard copy will not be mailed unless specifically requested. Please let me know if you have any questions, thanks!

Lucas

Lucas West

Environmental Protection Specialist

Minerals Program, Grand Junction Field Office



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

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**M-1980-244 June 2024 Inspection Report LJW.pdf**

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**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> Multi Person Inspection	<b>WEATHER:</b> Clear	<b>INSP. DATE:</b> June 26, 2024	<b>INSP. TIME:</b> 12:10
<b>OPERATOR:</b> Cripple Creek & Victor Gold Mining Company	<b>OPERATOR REPRESENTATIVE:</b> Joshua Adams, Brian Doering	<b>TYPE OF OPERATION:</b> 112d-3 - Designated Mining Operation	
<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b>	<b>BOND AMOUNT:</b> \$268,665,580.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None	
<b>INSPECTOR(S):</b> Lucas West Elliott Russell	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> July 29, 2024	

**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>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>N</u>	(SP) STORM WATER MGT PLAN---- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</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 (Division). In addition to the Inspector and Operator Representatives listed on Page One of this report, Elliot Russel of the Division was present during the inspection. The Cresson Project (CC&V) is a 112d-3 Operation consisting of 6,007 Acres in support of the extraction and beneficiation of Gold, located in Teller County. The site is located between the towns of Cripple Creek and Victor, CO at an average elevation of 9,900 Feet. The Division currently holds a \$292,100,000.00 Financial Warranty for the site. A Reclamation Cost Estimate Update was not performed as a result of this inspection. Eight Photos and Three Screen Shots accompany this report to illustrate the current site conditions.

As well as an general site tour, this inspection primarily focused on:

- Grassy Valley Monitoring Well Locations
- Proposed Environmental Protection Facilities associated with Technical Revision (TR) 144

### **Grassy Valley**

During this inspection the proposed location of GVMW 37 was observed. The proposed location, shown in Photo One, lies on the North side of the access road, and upon completing survey locates in the area it was found to be nestled between several historic and current water lines. On site discussions centered around moving the proposed location, to the South side of the access road, to avoid potential issues intercepting the utilities. The alternate location for the paired wells is approximately 250 feet to the Southeast and appears to be a suitable alternative. The alternate location can be seen in Photo Two.

### **Proposed TR-144 EPF's**

The focus of the inspection was to observe the seeps along the toe of the ECOSA and the proposed location of the newly designed EPF's. The revision details lining the collection trenches, as well as the collection sumps all located along the toe. Review of that revision is currently pending and to date, no decision has been rendered. The proposed EPF will include a total four sumps, numbered 1-4 with collection trenches leading to each one. The sumps and trenches will be lined with an HDPE liner designed to contain the seep flow for management. All standing water observed in the various locations showed obvious signs of water quality impairment in the form of mineral staining on the surrounding rock and the dark reddish color of the water itself. Sump 4 is located farthest to the West and can be seen in Photo Three. The sump contained no standing water at the time of the inspection however evidence of recent impoundment was noted. The collection ditch leading to Sump 4 contained minimal standing water however was not enough to cause flow at the time. The collection ditch can be seen in Photo Four. The second observed sump was Sump 1. At the time of the inspection, Sump 1 had standing water, but was not currently receiving flow as seen in Photo Five. The sump appeared to be in good condition and no evidence of instability was noted. The collection ditch leading to Sump 1 was not flowing at the time of the inspection however the expression of the seep was observed and a small collection area near the expression contained standing water. Sump 2 contained no standing water and the collection ditch was not flowing at the time. Sump 2 can be seen in Photo Six. The Sump itself was in good condition and pumping equipment was staged as the management of the seep water requires. The Final sump, Sump 3 is the furthest South sump along the toe of the ECOSA. This Sump contained standing water, and the collection ditch was dry at the time of the inspection. The Sump and Collection Ditch were in good condition. Sump 3 can be seen in Photo Seven.

The Division will continue to work through the Technical Adequacy phase of the TR-144 review until a decision can be rendered. At the time of the inspection however, the collection ditches and sumps appear to be functioning.

The secondary purpose of the inspection was a general site tour. This portion covered the various leach piles in both VLF 1 and 2 as well as the main facilities such as the ADR. During the inspection, ore stacking efforts were being conducted at the 10,300' level of VLF 2. On VLF 1, at around the 10,300' level significant ponding of leach solution was noted. The area of ponding can be seen in Photo Eight. The problem was discussed with the Operator representatives as it is in conflict with commitments made in the Permit. The day after the inspection, June 27, 2024, the Operator provided photo documentation that the problem had been corrected. The area was ripped and graded, allowing the ponded solution to infiltrate and no longer be impounded on the surface. This is not cited as a problem at this time due to the Operators swift response and mitigation efforts.

Additionally, the ADR was inspected and the remote monitoring system that monitors solution levels in VLF 2 was observed. In addition to the mitigation documentation, the Operator provided screen shots of the monitoring system taken at the time of the inspection. All pump levels and flow rates appeared to be within operational norms for the site and no problems were identified. The screen shots are included with this report.

The overall footprint of the site was in good condition at the time of the inspection and no problems were identified. All responses to the report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety at 303-919-2997 or by email at [lucas.west@state.co.us](mailto:lucas.west@state.co.us).

**Inspection Contact Address**

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## **PHOTOGRAPHS**

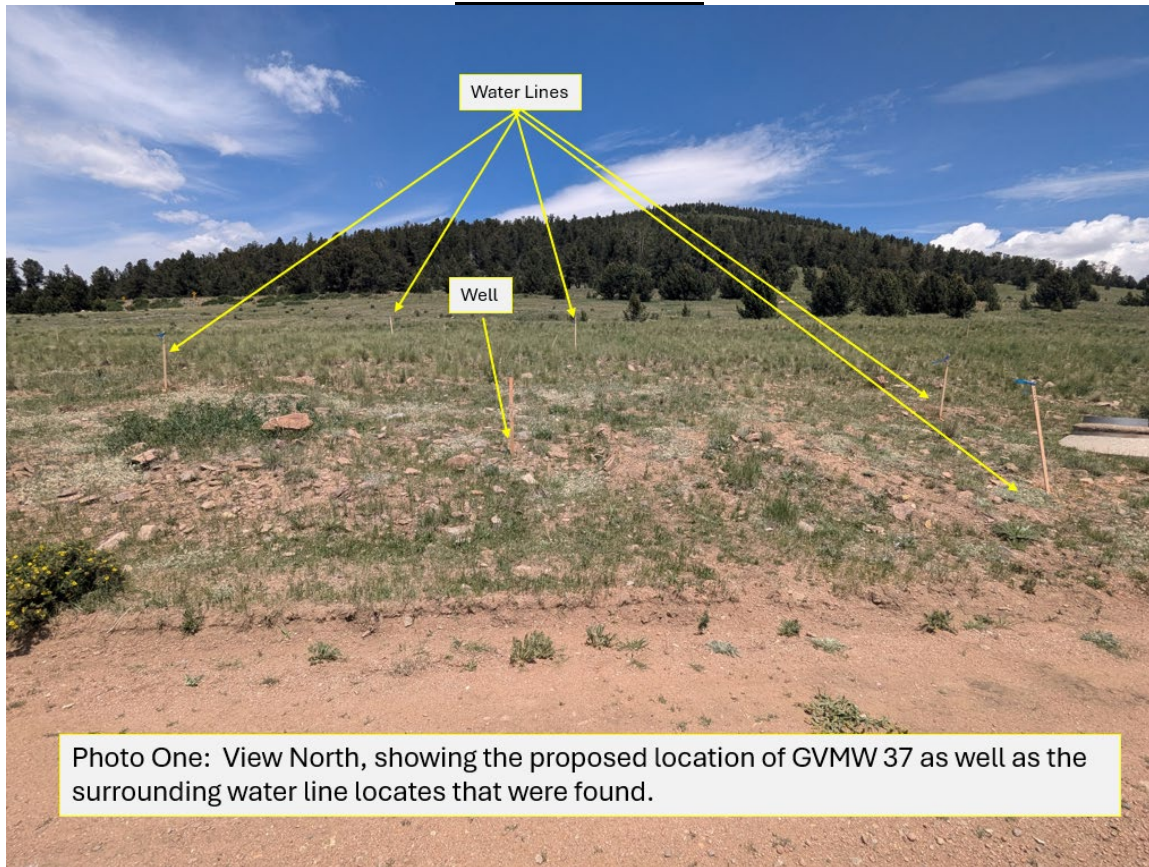






Photo Three: View Southwest, showing Sump 4 located at the toe of the ECOSA. The sump was dry at the time of the inspection.



Photo Four: View Southeast, showing the collection ditch leading to Sump 4. The collection ditch contained standing water however was not flowing at the time.





Photo Five: View Northwest, showing Sump 1. The sump contained standing water and pumping equipment staged for dewatering.



Photo Six: View South, showing Sump 2. The sump contained no standing water, and the collection ditch was not flowing at the time of the inspection.





Photo Seven: View Southeast, showing Sump 3. This sump also contained standing water; however, the collection ditch was not flowing at the time of the inspection.



Photo Eight: View South, showing the area exhibiting ponding of leach solution on VLF 1 at approximately the 10,300' level. The ponding was quickly addressed by the operator and is no longer considered a problem.



