




**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> Climax Mine	<b>MINE/PROSPECTING ID#:</b> M-1977-493	<b>MINERAL:</b> Molybdenum	<b>COUNTY:</b> Lake, Summit
<b>INSPECTION TYPE:</b> Monitoring	<b>WEATHER:</b> Clear	<b>INSP. DATE:</b> August 20, 2024	<b>INSP. TIME:</b> 13:00
<b>OPERATOR:</b> Climax Molybdenum Company, Climax Mine	<b>OPERATOR REPRESENTATIVE:</b> Eric Detmer	<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> \$91,011,850.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None	
<b>INSPECTOR(S):</b> Dustin Czapla	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> August 25, 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>N</u>	(FN) FINANCIAL WARRANTY----- <u>N</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>N</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>N</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>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**

This inspection was conducted as part of the Division of Reclamation, Mining and Safety's (Division) normal monitoring program. Eric Detmer, representing the Operator, was present during this inspection. Photographs are included with this report to illustrate some of the conditions observed.

Climax Mine is a 112d-3 molybdenum mining and milling operation located in Summit, Eagle, and Lake counties, and is accessed from Hwy 91 at the top of Fremont Pass. The Division currently holds a financial warranty amount of \$91,011,850.00 for this site.

Adequate mine identification signage was noted at the entrance to the site.

The inspection was focused on the following areas:

- East Tailings Delivery Line (ETDL)
- Mayflower Pump Station and 5 Dam Seepwater Collection Area (TR36)

### **East Tailings Delivery Line (ETDL)**

On Wednesday, July 24, 2024, Climax personnel discovered five leaks on the ETDL on the west side of Hwy 91. According to Climax, the maximum single flow of these five locations was approximately 10 gpm. Leaks from the ETDL flowed into the East Side Channel that runs parallel to the ETDL. The East Side Channel serves as secondary containment for the ETDL and conveys drainage to the process water/water treatment system. There was no release of water outside of the process water containment system. Climax reported that upon recognizing the pipeline condition, personnel turned off the pumps located at 5-Shaft as well as the pit dewatering system, which contribute to ETDL flow. The pumps remained off until repairs were completed. Climax utilized a systematic and gradual flow increase to ensure no further leaks.

The leak locations were observed during this inspection. The patches that were installed at each location appeared effective. Climax is currently evaluating alternative long-term solutions to repair or possibly replace the ETDL.







Mayflower Pump Station and 5 Dam Seepwater Collection Area (TR36)

On July 18, 2024, a leak event occurred at the Mayflower Pump Station. Climax reported that after a routine pipe jetting job was completed and the Mayflower Pump Station was being brought back online, operator error when restarting the pumps resulted in failure of a blind flange at the end of a pipeline junction. Approximately 1,875 gallons of process water was released into a Climax drainage that ultimately drains into Tenmile Creek at Outfall 001A. Climax collected samples at the outfall following the event. Samples were analyzed for Climax's CDPS analytical suite. No exceedances of the permit limit were reported.

Climax is currently constructing a pump back system in this area that will be able to prevent events like this from occurring in the future. Plans for this pump back system were approved by the Division through TR36. Construction of the system was nearly complete at the time of this inspection. A contractor was onsite completing the electrical work.



No problems or violations were noted during this inspection.

Responses to this inspection report should be directed to Dustin Czapla at the Division of Reclamation, Mining and Safety, Room 215, 1001 E 62<sup>nd</sup> Avenue, Denver, CO 80216, phone number (303) 866-3567.

**Inspection Contact Address**

Eric Detmer  
Climax Molybdenum Company, Climax Mine  
Highway 91, Fremont Pass  
Climax, CO 80429