

STATE OF  
COLORADO

Gagnon - DNR, Nikie &lt;nikie.gagnon@state.co.us&gt;

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## M2008037 Emma Load Mine Inspection Report

1 message

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**Gagnon - DNR, Nikie** <nikie.gagnon@state.co.us>

Thu, Oct 10, 2024 at 1:30 PM

To: Mason Drake &lt;mason.drake@venturegoldusa.com&gt;, PATRICK MAHER &lt;mptmaher@msn.com&gt;

Hello.

Please see the attached inspection report for the Emma Load Mine. There are two issues cited in the report that require action.

Feel free to contact me if you have any questions on the inspection report or the updated reclamation bond estimate to seal the shaft.

Kind regards,

**Nikie Gagnon**  
Environmental Protection Specialist**COLORADO**  
Division of Reclamation,  
Mining and Safety  
Department of Natural Resources

Cell: 720.527.1640

Physical: 1313 Sherman Street, Room 215, Denver, CO 80203

**Address for FedEx, UPS, or hand delivery:**

DRMS Room 215, 1001 E 62nd Ave, Denver, CO 80216

[nikie.gagnon@state.co.us](mailto:nikie.gagnon@state.co.us) | <https://www.drms.colorado.gov>

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### 2 attachments

**INSP-REPORT\_M2008037\_Emma Load Mine Site\_20240913.pdf**  
2458K**2024 Reclamation Cost Estimate\_Emma Load Mine.pdf**  
113K



## 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.

<b>MINE NAME:</b> Emma Lode MS#7261	<b>MINE/PROSPECTING ID#:</b> M-2008-037	<b>MINERAL:</b> Silver, gold, copper, lead and zinc	<b>COUNTY:</b> Clear Creek
<b>INSPECTION TYPE:</b> Monitoring	<b>WEATHER:</b> Clear	<b>INSP. DATE:</b> September 13, 2024	<b>INSP. TIME:</b> 11:00
<b>OPERATOR:</b> Venture Resources, Inc.	<b>OPERATOR REPRESENTATIVE:</b> Mason Drake	<b>TYPE OF OPERATION:</b> 110(2) - Hard Rock Limited Impact	
<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> Complete Bond	<b>BOND AMOUNT:</b> \$6,050.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None	
<b>INSPECTOR(S):</b> Nikie Gagnon	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> October 10, 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:** Gen. Compliance With Mine Plan

**PROBLEM 1:** The Garland Shaft is not safeguarded from unauthorized entry into the mine. This is a problem pursuant to Rule 3.1.5(6) for failure to close or safeguard the shaft.

**CORRECTIVE ACTIONS:** The Operator shall replace the fence around the shaft and reinstall the Mine and safeguarding signs on the enclosure.

**CORRECTIVE ACTION DUE DATE:** 11/11/24

**INSPECTION TOPIC:** Financial Warranty

**PROBLEM 2:** The financial warranty is not adequate to reclaim the site in accordance with the approved reclamation plan. This is a failure to maintain the proper financial warranty amount to complete reclamation of the affected lands pursuant to C.R.S. 34-32.5-117(4)(b) of the Act.

**CORRECTIVE ACTIONS:** Please review the attached Reclamation Cost Estimate and respond with comments within 30 days. After 30 days, the Division will initiate a separate Surety Increase notice to increase the financial warranty. The operator will have 60 days from the date on the surety increase notice to post the additional financial warranty.

**CORRECTIVE ACTION DUE DATE:** 11/11/24

## **OBSERVATIONS**

The Emma Load mine site was inspected by Nikie Gagnon of the Division of Reclamation, Mining and Safety (Division) as part of the Division's regular monitoring inspection program. Mason Drake, representing Venture Resources Inc. (Operator) accompanied the Division during the inspection.

The Emma Load site is a 110(2) Hard Rock Limited Impact operation, permitted to affect 0.15 acre. The approved post-mining land use is residential. The permit was issued on August 5, 2009. Based on monitoring inspections and Annual Reports submitted to the Division, no mining activity has occurred at the site since the permit was issued.

### **Gen. Compliance with Mine Plan:**

The existing/historic disturbance consists of an open shaft (Garland Shaft) connecting to the Dove's Nest Mine. The opening is approximately 3 feet tall x 8 feet wide. The approved mining plan states that a shaft collar/enclosure would be constructed immediately upon the commencement of mining. As of the date of this inspection, no mining disturbance has occurred at the site and the Operator has not installed the shaft collar. In 2017, Technical Revision 2 was approved by the Division to address safety around the Garland Shaft and authorized the installation of a fence around the perimeter of the shaft and the posting of No Trespassing and Danger Keep Out signs. During this inspection, the Division observed a wood picket fence laying on the ground around the shaft. Pursuant to Rule 3.1.5(6), adits and shafts should be closed, and where practicable, backfilled and graded in a manner consistent with the post-mining land use. This has been cited as Problem #1 above and requires corrective action by the Operator.

The approved mine plan includes constructing a tool storage shed, a concrete pad and a hoist building. As a reminder, prior to the commencement of mining operations at the site, the Operator is required to comply with the conditions of the stipulated approval. The stipulation requires the sampling and analyses of in-situ ore and waste rock from the underground workings, including characterization of the processed material proposed for backfill. The geochemical characterization must occur as soon as reasonably practical after access is gained for sampling. The Operator is prohibited from backfilling the mine with any material not generated specifically from the permitted Emma Lode shaft. In addition, the Operator will need to seek approval of a well permit from the Division of Water Resources.

### **Financial Warranty:**

The Division currently holds a financial warranty in the amount of \$6,050.00, which is the original reclamation cost estimate to close the shaft provided by the applicant. After this inspection, the Division estimated the reclamation liability to install a closure grate over the shaft to be \$13,437, which is \$7,387 more than the currently held financial warranty. The Division requests that any questions or concerns regarding the estimated liability level be forwarded to the Division within 30 days. The Division will issue a surety increase revision after 30 days. In accordance with Rule 4.2.1(2), Venture Resources will have sixty (60) days from the date of the notice of surety increase to provide the additional financial warranty.

This concludes the Division's Inspection Report; a subset of photographs taken during the time of the inspection are included below. If you need additional information or have any questions, please contact me at Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at 720-527-1640, or by email at [nikie.gagnon@state.co.us](mailto:nikie.gagnon@state.co.us).



## PHOTOGRAPHS



Photo 1: View of opening to Garland Shaft.



Photo 2: View of security fence on the ground around the shaft.





Photo 3: Mine sign posted on the security fence observed on the ground.



Photo 4: Access road to the Garland Shaft.

### GENERAL INSPECTION TOPICS

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

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

#### Inspection Contact Address

Mason Drake and Patrick Maher  
Venture Resources, Inc.  
2208 Two Brothers Road  
Idaho Springs, CO 80452

Enclosure: 2024 Financial Warranty Estimate

CC: Jared Ebert, Senior EPS, DRMS

## COST SUMMARY WORK

Task description: 2024 Cost Estimate for Closure of Shaft

Site: Emma Lode MS#7261

Permit Action: 2024 Inspection

Permit/Job#: M2008037

### PROJECT IDENTIFICATION

Task #: 000

State: Colorado

Abbreviation: None

Date: 10/10/2024

County: Clear Creek

Filename: M037-000

User: NCG

Agency or organization name: DRMS

### TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
001	Shaft Closure	MINESEAL	1	0.00	\$10,317
<b><u>SUBTOTALS:</u></b>				<b>0</b>	<b>\$10,317</b>

### INDIRECT COSTS

#### OVERHEAD AND PROFIT:

Liability insurance: 2.02

Total = \$208

Performance bond: 1.05

Total = \$108

Job superintendent: 8.00

Total = \$634

Profit: 10.00

Total = \$1,032

TOTAL O & P = \$1,983

CONTRACT AMOUNT (direct + O & P) = \$12,300

#### LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs): \$0

Total = \$0

Engineering work and/or contract/bid preparation: 4.25

Total = \$523

Reclamation management and/or administration: 5.00

\$615

CONTINGENCY: 0.00

Total = \$0

TOTAL INDIRECT COST = \$3,120

**TOTAL BOND AMOUNT (direct + indirect) = \$13,437**