

STATE OF
COLORADO

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Inspection Report, December 19, 2024 Cresson Project M-1980-244

1 message

Ridley - DNR, Hunter <hunter.ridley@state.co.us>

Thu, Jan 16, 2025 at 1:15 PM

To: "Johnna.gonzalez@newmont.com" <Johnna.Gonzalez@newmont.com>, "Russell - DNR, Elliott" <elliott.russell@state.co.us>, Zach Trujillo - DNR <zach.trujillo@state.co.us>, Lucas West - DNR <lucas.west@state.co.us>, Patrick Lennberg - DNR <patrick.lennberg@state.co.us>, Ben Hammar - DNR <ben.hammar@state.co.us>

Good Afternoon Johnna,

Please find the attached inspection report from the Division's December's inspection. A hard copy will not be mailed unless specifically requested. Let me know if you have any questions, thanks.

Kind regards,
Hunter Ridley (she/her/hers)
Environmental Protection Specialist I



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

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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.

MINE NAME: Cresson Project	MINE/PROSPECTING ID#: M-1980-244	MINERAL: Gold and silver	COUNTY: Teller
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: December 19, 2024	INSP. TIME: 09:00
OPERATOR: Cripple Creek & Victor Gold Mining Company	OPERATOR REPRESENTATIVE: Brian Doering, Paulina Barela	TYPE OF OPERATION: 112d-3 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE:	BOND AMOUNT: \$292,100,000.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Hunter Ridley Patrick Lennberg	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: January 16, 2025	

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>Y</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>N</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). Hunter Ridley and Patrick Lennberg with the Division conducted the inspection and site representatives Brian Doering and Paulina Barela accompanied the Division on 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. Fifteen 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:

- Grading work completed along the Ironclad Access Road
- ECOSA seep areas
- Schist Island overview and ground level inspection
- VLF 1 & 2 and ADR2 Remote Monitoring systems
- Winterized generator and booster stations

Ironclad Access Road

In May of 2024, the Division noted an issue related to grading work completed along the eastern side of the Ironclad Access road, adjacent to the WHEX Pit. The Division was concerned that the grading at present may allow stormwater to build up and flow under the road, towards Grassy Valley (Photo 2). Since then, the site has regraded this area, ensuring that the area slopes southwest towards the WHEX Pit and away from the road. This area was investigated as part of this inspection. A small sediment pond is built just on the edge of WHEX Pit. (Photo 1). Mr. Doering stated that this sediment containment structure can be widened should stormwater capacity need to be increased for the area. An old culvert used to run under the Ironclad access road and out to Grassy Valley. However, with the construction and rerouting of the Ironclad road, this culvert was removed. The recently rerouted Ironclad road was in good condition, plowed, and included a chain up area for large vehicles.

ECOSA Seep Areas & Grassy Valley

This inspection observed the seeps along the toe of the ECOSA and reviewed the planned locations for EPFs approved under TR-144. TR-144 was approved by the Division on September 25, 2024 and outlines plans for lining the seepage collection trenches and sumps located along the toe of the ECOSA with an HDPE liner designed to contain seep flows. Installation of the EPFs will also potentially help improve water quality in the sediment pond to the east of the toe of the ECOSA. At the time of the inspection, the collection ditches and sumps appear to be functioning. Collection areas are monitored frequently to determine if pumping is necessary. At the time of inspection, all collection sumps were either frozen over or snow covered. Therefore, no pumps were observed to be running. Sumps not completely snow covered showed evidence of water quality impairment in the form of a dark reddish hue to the water (e.g. Photo 3). All sumps appeared to be in good condition, and no evidence of instability was noted. Wells to the east of the toe of the ECOSA were observed and showed that small paths leading to these wells had been cleared to allow personnel to conduct sampling (Photo 4).

Schist Island

The Schist Island was viewed from above (Photo 6) and from the active backfill area. NewFields representatives stated that work on the structural fill in this area began the week of November 25th. At the time of inspection, New Fields representatives stated that more backfill will be placed towards the northern, high

compaction zone as the pit is expanded north towards Globe Hill Pit and that currently trucks were dumping on the 9,765 low compaction level. High compaction zone placement has also begun in the narrow portion of the pit and is working its way north (Photo 8). Material sizes were checked for specifications and found to be within the required limit. No large clumps of rock were observed (Photo 7). The low compaction fill in Schist Island to the south is done in 10 ft lifts and was being added to at the time of inspection from material in the Globe Hill and South Cresson Pits (Photo 9). This level will continue to build as it meets with the high compaction zone, which is being built up faster than the low compaction zone, and will eventually overtop the low compaction. Several adits were observed at the current dumping level. The Division and site representatives discussed and reviewed the remediation protocol for these historical features (Photo 10).

VLF 1 & 2 & ADR2

VLF 1 and 2 were inspected visually for any signs of significant ponding. No such problematic ponding was observed across either VLF1 or VLF2. An active area of VLF1 was observed from above (Photo 11). VLF2 Phase 2 and 3 were also observed from the same overview vantage point as Schist Island (Photo 5). Haul trucks were active in both the Schist Island and VLF2 Phase 2 & 3 areas. The crusher area, directly north and adjacent to VLF1 was observed (Photos 12 and 13) and the Division discussed several of the changes proposed in Amendment 13, which pertain to this area.

The ADR was inspected, and the remote monitoring system that monitors solution levels in VLF 2 was observed. 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. Directly north of ADR2, the Division also observed 'winterization' efforts for the generators adjacent the facility. This effort appears to consist of installing an enclosed roof over the intake portion of the generator to thus avoid any buildup of snow or ice that may cause damage or failure to the generator (Photo 14). A booster station to the north, located on VLF2, was also undergoing these 'winterization' efforts (Photo 15).

The overall footprint of the site was in good condition at the time of the inspection, and no problems were identified. Photographs taken during the inspection have been included below. Responses to this inspection report should be directed to: Hunter Ridley at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 720-868-7757 or via email at hunter.ridley@state.co.us

PHOTOGRAPHS



Photo 1: View west into the WHEX pit from the Ironclad Access Road.



Photo 2: View southeast towards Ironclad Access Road from the western edge of the WHEX Pit.



Photo 3: Example view of a sump located along the ECOSA, signs of contamination present.



Photo 4: View east of several groundwater monitoring wells and paths cleared for sample collection.



Photo 5: View southwest of Phase 2 and 3 of VLF 2.



Photo 6: View west of the Schist Island Pit.



Photo 7: Material size representation, compared to a 4 x 7-inch notepad.



Photo 8: View north of the Schist Island Pit high compaction backfill area.



Photo 9: View south of the Schist Island Pit low compaction fill area.



Photo 10: Historical adits seen in Schist Island Pit.



Photo 11: View west of an area within VLF1.



Photo 12: View northwest of the crusher area from atop VLF1.



Photo 13: View northeast of the crusher area from atop VLF1.



Photo 14: 'Winterization' efforts on the generators at ADR2.

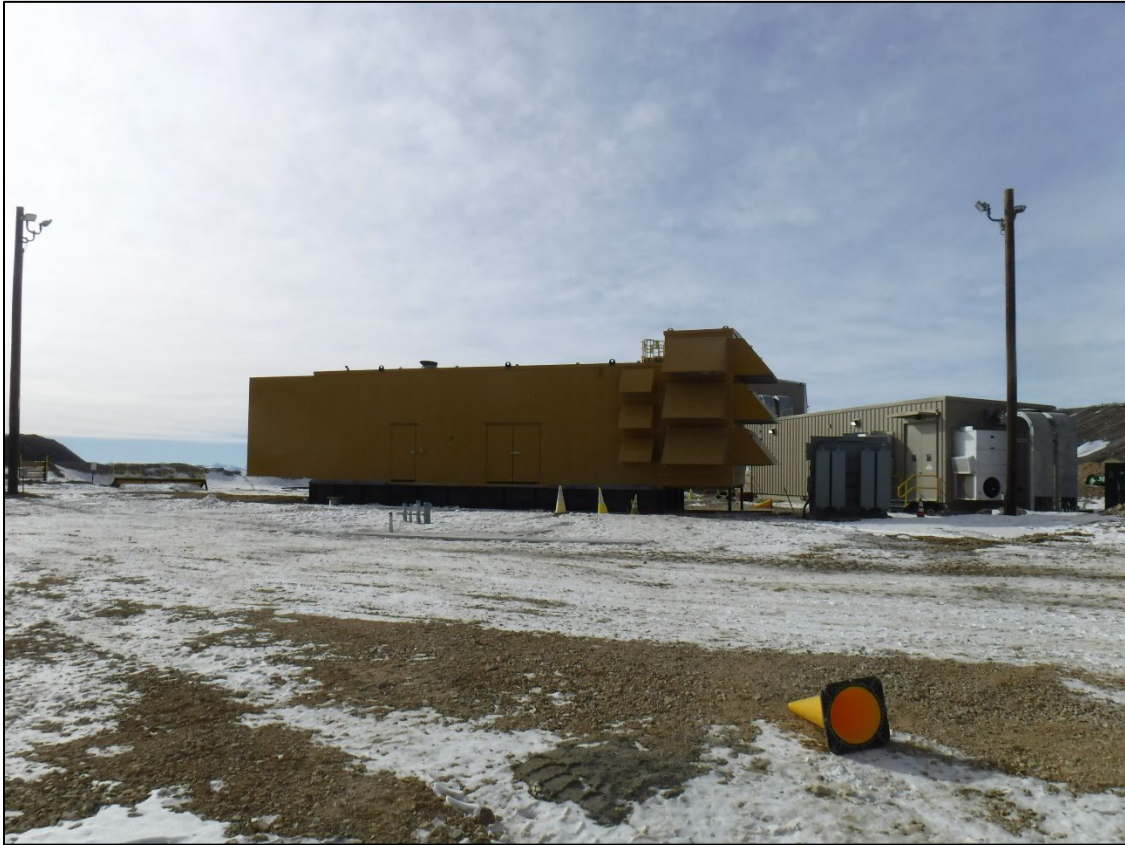
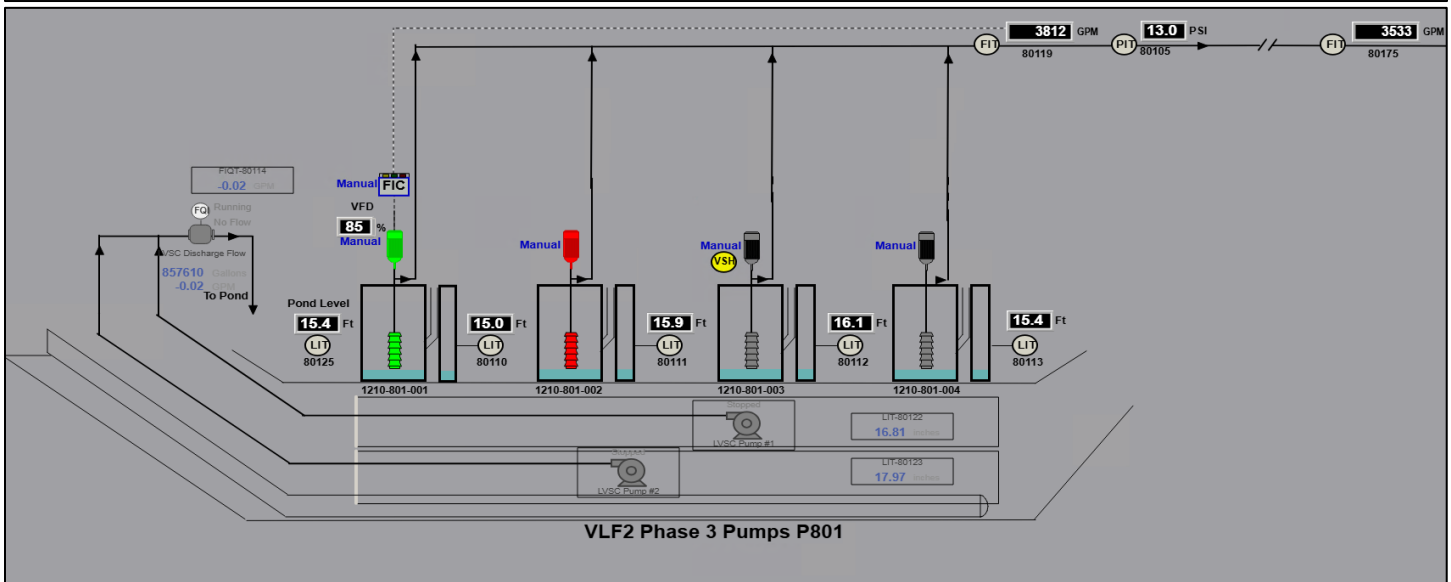
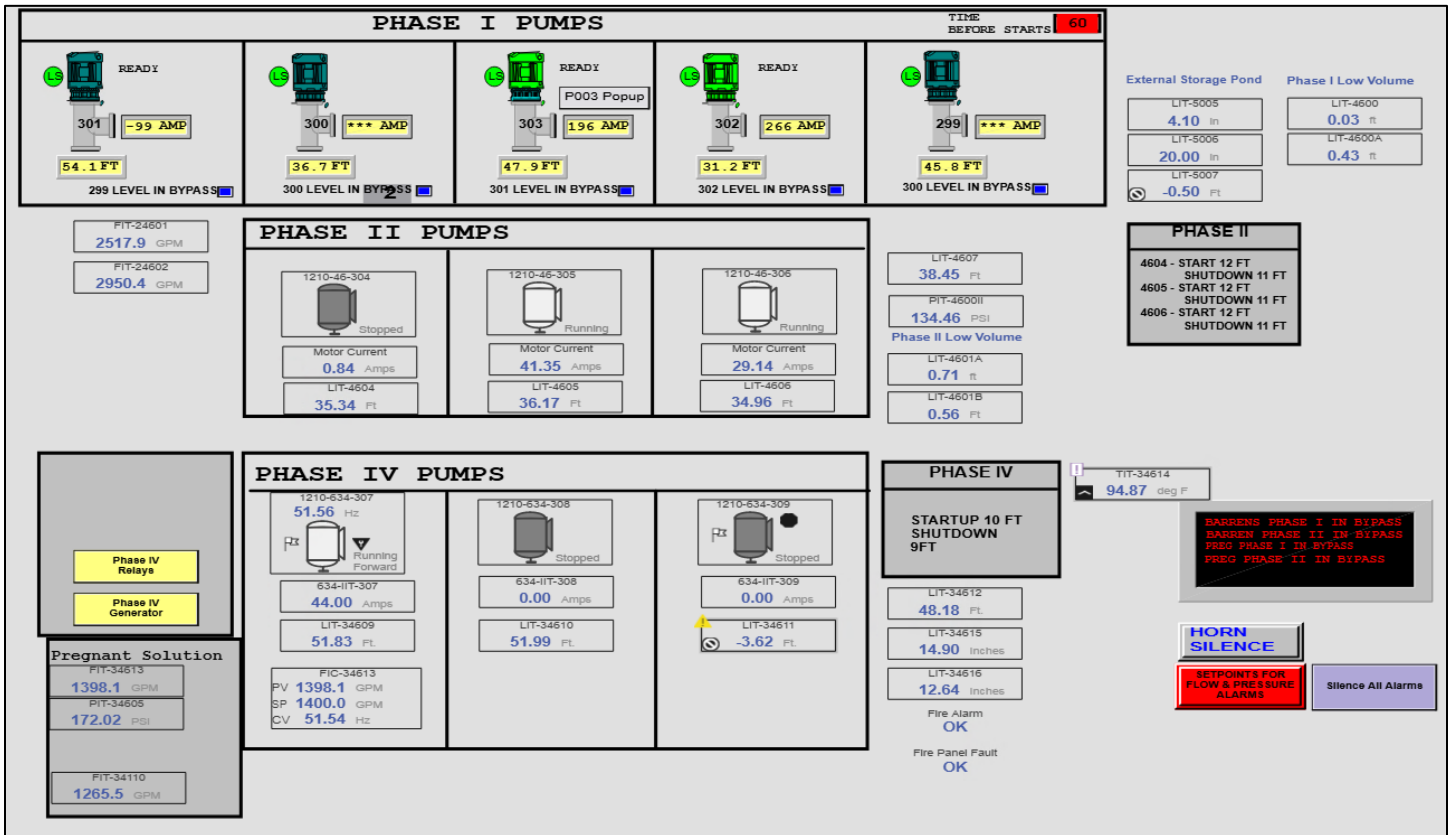
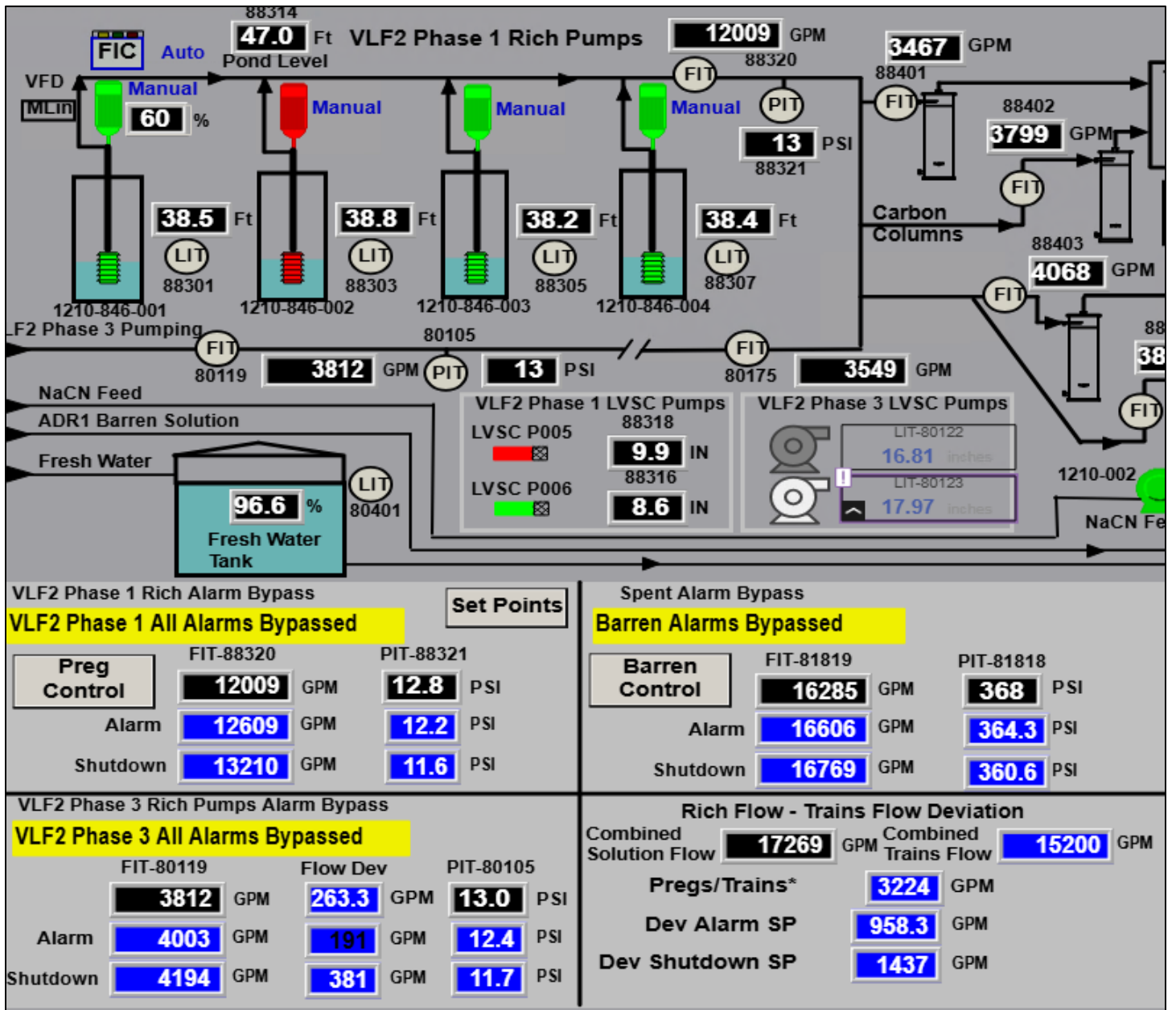


Photo 15: 'Winterization' efforts at the VLF2 booster station.





Inspection Contact Address

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