

SENT BY ELECTRONIC MAIL

March 27, 2025

Ms. Hunter Ridley Environmental Protection Specialist Colorado Department of Natural Resources Division of Reclamation, Mining and Safety Office of Mined Land Reclamation 1313 Sherman Street, Room 215 Denver, Colorado 80203

Re: <u>Permit No. M-1980-244; Cripple Creek & Victor Gold Mining Company; Cresson Project; –</u> <u>February 20, 2025, Inspection Corrective Action Response</u>

Dear Ms. Ridley:

On February 20, 2025, Colorado Division of Reclamation, Mining, and Safety (the Division) completed a routine monthly inspection, accompanied by representatives of Cripple Creek and Victor Gold Mining Company (CC&V). This letter is in response to the inspection report issued by the Division following the inspection.

The inspection report issued to CC&V by the Division following the February 20, 2025, inspection described one issue below, with Division comment in **bold** text and CC&V response provided in *italics* text. A plan and timeline to correct this issue is due by 4/4/2025.

Problem: The VLF2 Phase 3 PSSA piezometer outside the drawdown cone area indicated the water level outside the pump drawdown area was 0.20 feet lower than in the pump drawdown area, a trend opposite of what would be expected.

After evaluating the observed trend in the VLF2 Phase 3 PSSA piezometer data, CC&V conducted an internal assessment, including confirming calibration on all Phase 3 PSSA piezometers and making minor adjustments where necessary. Following calibration, the pond level has consistently indicated a water level that is equal to or greater than the levels recorded at the pumps. Based on these findings, the system appears to be functioning as designed, with the oversized intake screens facilitating controlled percolation and minimal drawdown effects.

The discrepancy cited by the Division is likely a result of system design and current operating conditions rather than an issue with the system or its design. Specifically:

• The oversized pump intake screens allow for a slower percolation of solution past the pumps

- The current very low operating flow rate combined with clean intake screens results in minimal drawdown compared to higher flow rates typically seen with older, more sediment-laden screens.
 - At the time of the inspection only one pump was running at a lower-than-normal flow rate, which is typical for VLF2 Phase 3
- Over time, as fine particles settle within the system, the drawdown area is expected to adjust naturally, aligning more closely with typical expectations.

Should the Division require further information regarding the above responses, please do not hesitate to contact Paulina Barela at 719-851-4098 or <u>Paulina.Barela@ccvmining.com</u> or the undersigned at 719-851-4048 or <u>Katie.Blake@ccvmining.com</u>.

p.p. -DocuSigned by:

Antonio Matarrese — FD42D9E12B1147D...

Katie Blake Sustainability & External Relations Manager Cripple Creek & Victor Mine

EC: H. Ridley – DRMS Z, Trujillo - DRMS E. Russell - DRMS K. Blake - CC&V J. Gonzalez – CC&V P. Barela – CC&V A. Matarrese – CC&V

File: Discovery/CC&V/S&ER Environmental/Environmental Compliance/DRMS Inspections/2025