




**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> Monitoring	<b>WEATHER:</b> Windy	<b>INSP. DATE:</b> May 19, 2025	<b>INSP. TIME:</b> 09:00
<b>OPERATOR:</b> Cripple Creek & Victor Gold Mining Co.	<b>OPERATOR REPRESENTATIVE:</b> Brian Doering, Paulina Barrella	<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> \$319,158,980.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None	
<b>INSPECTOR(S):</b> Patrick Lennberg	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> June 23, 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>N</u>	(FN) FINANCIAL WARRANTY----- <u>N</u>	(RD) ROADS----- <u>Y</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>N</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>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>Y</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 was a routine monitoring inspection of the Cresson Project (Permit No. M-1980-244) conducted by Patrick Lennberg of the Division of Reclamation, Mining and Safety (Division/DRMS). The Division was accompanied by Brian Doering, Paulina Barrela, and others during the inspection. This is a 112d-3 Designated Mining Operation (DMO) permitted for 6,007 acres to mine and process gold ore. The site is located between the towns of Cripple Creek and Victor in Teller County. The approved post-mining land use is a combination of rangeland and wildlife habitat. Photos 1-20 taken during the inspection are included with this report.

This inspection was to include the following:

- Grassy Valley ECOSA Seeps,
- VLF2 Phase 3 Proposed Downhill Stacking,
- Schist Island Backfill, and
- VLF2 Leak Detection Sumps

The weather initially was clear and mild.

### **Grassy Valley ECOSA Seeps**

The Division inspected the Grassy Valley Seep collection improvements and basin construction. The Division observed that the basins had been constructed but not yet lined with the geomembrane liner. Lining of the basins and ditches was not scheduled to begin until the beginning of June and work was being done to ensure the subgrade was at the correct elevations. In the Seep 1 collection area, the most southern basin, the collection ditch had been shortened by ~75 feet due to safety concerns for excavation equipment. However, the ditch still extends beyond where the seep area is actively expressing or where there are signs of seepage.

At the Seep 3/4 collection basin they were finish grading the basin and excavating the anchor trench, extending to the south, in preparation for the liner. The collection trench to the north of the basin has been excavated and was collecting seep water from near the area of Seep 3. Seep 3 does not have a collection basin to be constructed but a collection trench will convey seepage to the Seep 3/4 Basin

The Seep 2 collection basin was graded and there was seep water that was collecting in the bottom of the basin. In the exposed ECOSA toe there was evidence liner associated with leach facility that was located in the area.

The Seep 5 collection basin, the most northerly basin, had been graded and it too was collecting seep water.

### **VLF2 Phase 3 Proposed Downhill Stacking**

The Division observed the area where the Operator would like permission to stack ore material in a downhill manner. Stacking ore in this manner is not approved by the Division. However, the Operator believes stacking ore in a downhill manner with the shallow grade, ~3%, will not adversely affect the liner. If the Division does not allow ore stacking in this manner the Operator will have to use a contractor and typical construction equipment to move the estimate 100,000 cubic yards of material to level area enough for haul trucks to be

used. Doing so will take a significant amount of time and resources.

While in this area the Division observed the blowout repair VLF2 Phase 2A at the 10,300 elevation that was discussed in February 20<sup>th</sup> inspection report. The repair had been completed in the weeks prior to the inspection. Additionally, the Operator was stacking ore material on the 10,400 elevation and the Division observed minor pooling areas on the 10,350 elevation.

Additionally, soil liner material was being placed in an area to the north of the backfill area that is to be lined soon.

### **Schist Island Backfill**

The Schist Island Backfill area was observed from the overview area and from ground level as material was being placed. The Operator was placing material in two locations, the low compaction face and an area of high compaction. The low compaction area can have material placed in 10-foot lifts and material placed needs to meet the specification of 5 feet or less in two out of 3 dimensions. The high compaction area material specification is 2 feet or less in two out of 3 dimensions. During the April inspection the Division observed over-sized material being placed in the low compaction area. During this inspection the Division observed what appeared to be oversized material being placed and proceeded to ground level where the material was being placed. Observing some of the material that had been placed on the high compaction lift it was determined that oversized material had been placed, specifically a boulder that was well over 5 feet in multiple dimensions. NewFields personnel informed the operations manager, and they observed the boulder that had been placed. The manager directed a dozer working in the area to remove the boulder and resize it by running over it and crushing it to smaller sizes that meet the specification. While personnel were observing the face a haul truck loaded with out of spec material attempted to dump material but was instructed not to dump. The haul truck was redirected to dump in area between the high and low compaction lifts in an isolated area. It was the Operators intent to either re-size the material or haul the material away and not used for backfilling. NewFields stated they had excess personnel onsite that could observe the material being placed met the required specifications for the specific lifts. Later, during the inspection, the Division noted hearing radio traffic that indicated NewField's personnel were observing the backfilling activities. The oversized material was theorized to be caused by where the material was being blasted, which was near a road.

### **VLF2 Leak Detection Sumps**

The Division observed leak detection sumps 12, 13, 14 and 15. Sumps 12 and 13 were dry, 14 was wet on the floor of the sump but not sufficient to be pumped, and 15 had approximately 2 feet of water at the bottom of it. The Operator stated that water in this sump is from recent rain events in the area and not VLF leakage. The Operator will sample the water and pump it out according to the approved protocol.

Please contact Patrick Lennberg by email at [patrick.lennberg@state.co.us](mailto:patrick.lennberg@state.co.us) if you have any questions regarding this report.

### **Inspection Contact Address**

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## PHOTOGRAPHS



**Image 1:** Seep and basin location map, figure 1 from TR-144



**Photo 1:** Seep 1 basin





**Photo 2:** Seep 1 water in drainage ditch leading to Seep 1 Basin



**Photo 3:** Looking north along the collection trench leading to Basin 3/4





**Photo 4:** Seep collection Basin 3/4



**Photo 5:** Seep collection trench near the Seep 3 area draining to Basin 3/4





**Photo 6:** Seep Collection Basin 2 for Seep 2



**Photo 7:** Seep 2 from ECOSA





**Photo 8:** Seep Collection Basin 5



**Photo 9:** Seepage in the anchor trench





**Photo 10:** Corrugated pipe for drainage around road realignment for Seep Collection Basin 5



**Photo 11:** VLF2 Phase 3 area, yellow outlined area is downhill stacking area





**Photo 12:** Minor areas of ponding and blowout repair



**Photo 13:** Downhill stacking area





**Photo 14:** Two areas of Schist Island backfilling



**Photo 15:** Boulder, 5-foot +, high compaction area





**Photo 16:** Boulder, after being processed by dozer



**Photo 17:** LDS 12





**Photo 18: LDS 13**



**Photo 19: LDS 14**





**Photo 20: LDS 15**