




**COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY  
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	<b>COUNTY:</b> Teller
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Timothy A. Cazier	<b>INSP. DATE:</b> September 19, 2012	<b>INSP. TIME:</b> 09:00
<b>OPERATOR:</b> Cripple Creek & Victor Gold	<b>OPERATOR REPRESENTATIVE:</b> Mark Vanoni	<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> \$99,143,871.21
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> February 14, 2013

**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>N</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING---- <u>Y</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>	(SB) COMPLETE INSP---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>Y</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</u>	(OD) OFF-SITE DAMAGE----- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>

Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

## **OBSERVATIONS**

The Division conducted a monitoring inspection of the site on September 19, 2012. Mr. Mark Vanoni (CC&V) was present during the inspection. The primary focus of this inspection was to monitor solution levels. The approach to addressing the Phase V DCF sloughing from April 2012 and the Phase V berm raise construction were also inspected

A telephone conference was held at the mine office in Victor to discuss the new mill platform geotechnical analyses. Mr. Ken Enquist represented the mine while a call was placed to AMEC's engineering representative.

### **Inspection:**

Mr. Vanoni pointed out where a new temporary structure is planned to store materials for the above ground PSES components (see **Photo 1**). A new "chevron" stormwater control ditch is planned for the area just south of the southern limit of the Phase V VLF (see **Photo 2**) Material placement and compaction for the proposed new mill platform is continuing (see **Photo 3**).

The access ramp to the Phase V DCF failure area is complete. This inspector walked the DCF slough area (see **Photo 4**) with Mr. Vanoni while he summarized the testing planned and proposed recertification process.

The installation of Phase V berm raise liner is complete (see **Photos 5 and 6**). The mine intends to cover the exposed liner with a coarse rock sometime in 2013.

The inspection continued as the Division visited each of the high and low solution collection system transducers and recorded water level values. The recording sheet is included as **Attachment A**, and the values are summarized below in the Transducer Readings.

The Arequa Gulch underdrains were inspected. The South Underdrain discharge was measured to be 4.4 gpm. Both the North Underdrain and the AG/Spring were dry. The A35 pumpback line was dry. The B63 pumpback line flow meter registered 0.2 gpm. No flow was observed in the Arequa Gulch flume (AG 1.5-001A).

Mr. Vanoni indicated the A35 pumpback line would be moved to the CRMW 3C-124 well. Nested compliance wells are planned near the confluence of Arequa Gulch and Cripple Creek.

Transducer Readings:

**Phase I High Volume Solution Collection (readings in ft)**

<u>Pump #299 / XDCR #xx</u>	<u>Pump #300 / XDCR #00</u>	
38.5	36.9	
<u>Pump #301 / XDCR #01</u>	<u>Pump #302 / XDCR #02</u>	<u>Pump #303 / XDCR #03</u>
22.8	26.0	29.2

**Phase I Low Volume Solution Collection (readings in ft)**

<u>Pond Lvl / XDCR #1</u>	<u>System Press / XDCR #2</u>
39.00	40.60

**Phase I Pond Piezometers (readings in ft)**

<u>Piezo #1 (HAND)</u>	<u>Piezo #2 (AUTO)</u>
0.67	0.78

**Phase II & III High Volume Solution Collection (readings in ft)**

<u>Pump / XDCR #4</u>	<u>Pump / XDCR #5</u>	<u>Pump / XDCR #6</u>
15.1	14.7	15.3

**Phase II & III Low Volume Solution Collection (readings in ft)**

<u>Pump / XDCR #1 (AUTO)</u>	<u>Pump / XDCR #2 (AUTO)</u>
0.35	0.28

**Phase II & III Pond Piezometer (readings in ft)**

<u>Piezo (Pipe)</u>
31.40

**Phase IV High Volume Solution Collection (readings in ft)**

<u>Pump #4 / XDCR #307</u>	<u>Pump #5 / XDCR #308</u>	<u>Pump #6 / XDCR #309</u>	<u>XDCR pipe (#310 Reserved)</u>
45.3	44.9	44.7	44.9

**Phase IV Low Volume Solution Collection (readings in inches)**

<u>Pump / XDCR #1</u>	<u>Pump / XDCR #2</u>
14.10	12.80

**Phase V High Volume Solution Collection (readings in ft)**

<u>XDCR #311 (AUTO)</u>	<u>XDCR #312 (AUTO)</u>	<u>XDCR #313 (AUTO)</u>	<u>XDCR #314 (AUTO)</u>
14.55	15.00	14.54	14.40

**Phase V Low Volume Solution Collection (readings in inches)**

<u>XDCR #001</u>	<u>XDCR #002</u>
13.56	17.40

**External Pond Low Volume Solution Collection (readings in inches)**

<u>Pump / XDCR #1-EXT (AUTO)</u>	<u>Pump / XDCR #2-EXT (AUTO)</u>
12.8	15.0



**PHOTOGRAPHS**



Photo 1. Phase II area pad for temporary above ground PSES material storage.



Photo 2. Area for planned chevron stormwater control ditch.



**PHOTOGRAPHS (cont.)**



Photo 3. Proposed New Mill Platform construction.



Photo 4. Phase V DCF slough area.



**PHOTOGRAPHS (cont.)**



Photo 5. Phase V berm raise liner installation (1 of 2).



Photo 6. Phase V berm raise liner installation (2 of 2).

**Inspection Contact Address**

Timm Comer  
Cripple Creek & Victor Gold  
100 North Third Street  
Victor, CO 80860

Enclosure

CC: Tom Kaldenbach, DRMS  
DRMS file



## ATTACHMENT A

Date:

**Phase I High Volume Solution Collection**

Pump #299 / XDCR #xx

*Note: 80%* Pump #300 / XDCR #00*cap. @ 63.75* Pump #301 / XDCR #01*ft* Pump #302 / XDCR #02

Pump #303 / XDCR #03

**Phase I Pond Piezometers**

Pond Lvl / XDCR #1

System Press / XDCR #2

**Phase I Low Volume Solution Collection***Note: Req'd* Piezo #1 (HAND) **AUTO***< 2 ft* Piezo #2 (AUTO)**Phase II & III High Volume Solution Collection***Note: 80%* Pump / XDCR #4*cap. @ 49.4* Pump / XDCR #5*ft* Pump / XDCR #6**Phase II & III Pond Piezometer**

Piezo (Pipe)

**Phase II & III Low Volume Solution Collection***Note: Req'd* Pump / XDCR #1 (AUTO)*< 2 ft* Pump / XDCR #2 (AUTO)**Phase IV High Volume Solution Collection**

Pump #4 / XDCR #307

*Note: 80%* Pump #5 / XDCR #308*cap. @ 56.5* Pump #6 / XDCR #309*ft* XDCR pipe (#310 Reserved)**Phase IV Low Volume Solution Collection***Note: Req'd* Pump / XDCR #1*< 24"* Pump / XDCR #2**Phase V High Volume Solution Collection**

XDCR #311 (AUTO)

*Note: 80%* XDCR #312 (AUTO)*cap. @ 36.5* XDCR #313 (AUTO)*ft* XDCR #314 (AUTO)**Phase V Low Volume Solution Collection***Note: Req'd* XDCR #001*< 24"* XDCR #002**External Pond Low Volume Solution Collection***Note: Req'd* Pump / XDCR #1-EXT (AUTO)*< 24"* Pump / XDCR #2-EXT (AUTO)**Underdrain Discharge Area**

South Underdrain (S U/D)

*Note: 1* 4" Pipe Discharge AG 01 Spring Pipe*l/sec =* NPDES Discharge AG 1.5 -001A*15.85 gpm* North Underdrain (N U/D)

24-inch Solid Pipe

**Arequa Gulch Monitor Well Pumpback System***Data first* 35A*collected by* 63B*DRMS* B63*3/8/12* A35

	4/3/12	5/9/12	6/14/12	7/20/12	9/19/12	Notes
Units	11:06	12:30	12:12	12:17	10:02	
(ft)	34.8	40.4	47.8	35.8	38.5	
(ft)	32.1	32.2	45.7	33.9	36.9	
(ft)	21.8	22.5	23.1	24.2	22.8	
(ft)	21.8	26.9	33.1	23.3	26.0	
(ft)	23.9	29.0	34.4	26.2	29.2	
	11:06	12:30	12:12	12:17	10:02	
(ft)	35.5	42.2	46.1	36.3	39.6	
(ft)	39.3	42	41.2	40.2	40.6	system head
	11:31	12:37	12:25	12:28	9:18	
(ft)	0.42	0.35	1.31	73.00	0.67	maint. Req'd
(ft)	0.47	0.44	0.41	0.00	0.78	
	11:39	12:42	13:00	12:37	9:24	
(ft)	11.6	13.5	19.2	14.6	15.1	
(ft)	11.3	13.1	20.3	15.2	14.7	
(ft)	12.2	14.3	21.9	16.6	15.3	
	11:39	12:42	13:00	12:37		
(ft)	33.1	33.1	33.1	31.4	31.4	
	11:37	12:40	12:58	12:34	9:22	
(ft)	0.26	0.43	0.40	0.43	0.35	
(ft)	0.34	0.34	0.39	0.37	0.28	
	10:18	11:10	15:35	11:42	11:30	
(ft)	13.3	13.5	17.4	13.6	45.3	
(ft)	11.4	11.8	17.1	13.3	44.9	
(ft)	9.7	10.6	17.8	13.8	44.7	
(ft)	9.0	9.9	17.3	13.3	44.9	
	10:24	11:13	15:39	11:39	11:35	
(in)	12.5	12.6	13.3	13.1	14.1	
(in)	12.8	12.8	12.6	12.3	12.8	
	10:48	12:49	12:02	12:06	10:10	
(ft)	18.60	14.27	19.85	17.87	14.55	
(ft)	18.75	14.45	20.03	18.02	15.00	
(ft)	18.60	14.62	19.90	17.88	14.54	
(ft)	18.63	14.35	19.95	17.91	14.40	
	11:54	12:51	11:59	12:08	10:18	
(in)	12.92	12.36	12.70	12.95	13.56	
(in)	17.4	16.5	17.00	17.20	17.4	
	11:25	12:33	12:21	12:24	9:00	
(in)	12.8	10.9	11.1	11.4	12.8	
(in)	3.0	6.8	6.2	13.9	15.0	
	12:10	12:37	12:44	9:47		
(gpm)	1.3	1.8	2.0	7.9	4.4	2.5 gal/23 sec 290/27 sec
(gpm)	Dry	Dry	Dry	Dry	0.24	
(gpm)	Dry	Dry	Dry	Dry	"	
(gpm)	Dry	Dry	Dry	Dry	"	
(gpm)	Dry	Dry	Dry	Dry	"	
	11:46	11:55	12:45	12:48	9:30	
(in)	71.78	56.9	42.14	82.85	74.71	
(ft)	21.93	24.65	19.7	33.43	22.31	
(gpm)	0.36	0.52	~0.5	0	0.2	Tot. Flow 139,509 gal 214343
(gpm)	0.0	0.0	0.0	0.0	0	Tot. Flow 7.52 gal 752