



London Mine Summary

CDPHE- Water quality control division, enforcement unit
February 21, 2017

Non-Point Source efforts

A CERCLA PA was conducted in 1995 and a SI was conducted in 1996. In 2010 a CERCLIS “no further remedial action planned” designation was assigned. In 2014 the site was re-evaluated to determine if Superfund considerations were warranted. In January 2014, CDPHE recommended a “No Further Remedial Action Planned” designation.

2013/2014 London Mine Tailings Reclamation Project- reclaimed 8.5 acres of tailings adjacent to S. Mosquito Creek (see London Mine Tailings Reclamation Project report for details).

2014 London Butte Project- reclaimed 6 acre area (see London Butte Report for details).

Extension Tunnel- CDPS permit CO0045209 (held by Prairie Center Metropolitan District until November 2016)

2009- Notice of Violation/ Cease and Desist Order issued to Prairie Center Metropolitan District No. 9 for ongoing violations of the pH, zinc, and cadmium permit effluent limitations at the Extension Tunnel.

2012- the NOV/CDO was resolved with a Compliance Order on Consent that included requirements to make improvements to the Extension Tunnel wastewater treatment plant which were completed by September 2013.

Water Tunnel- CDPS permit CO0038334 (held by London Mine, LLC until November 2016)

2009 and 2013- Notice of Violation/ Cease and Desist Orders issued to London Mine, LLC for violations of the zinc and cadmium permit effluent limitations at the Water Tunnel.

March 2014- the division and London Mine, LLC entered into an agreement that set forth a timeline for London Mine, LLC to undertake a pilot project facilitated by Alexco Resource U.S. Corp. The pilot project was aimed at treating the discharge to meet permit effluent limitations.

Summer 2014- the pilot project stalled because London Mine, LLC did not provide financing.

2015- Order for Civil penalty issued to London Mine, LLC.

2015- NOV/CDO and Order for Civil Penalty issued to London Mine, LLC, Estate of Benjamin Wright, and Judith Anne Meyer (personal representative).

January 2016 State Office of Administrative Courts issued an Initial Decision affirming liability and penalty.



MEMORANDUM

2016 Global Settlement (parties to settlement: London Mine LLC, Estate of Benjamin Wright, Judith Meyer (personal rep), MineWater Finance LLC, THF Prairie Center Metro Dist and WQCD)

General Purpose:

- facilitate the sale of the London Mine Property to MineWater
- establish compliance requirements to ensure the Water Tunnel discharge meets permit limitations and/or revised stream standards by September 2018
- resolve previous enforcement actions and penalty (MineWater agreed to pay penalty of \$925K- note, the penalty was for violations accrued prior to MineWater’s ownership)
- recognize that MineWater may undertake bona fide mining activity
- establish a framework for the adoption of a feasibility-based ambient standard and/or a discharger specific variance for certain parameters, specifically including metals, in No Name Creek, South Mosquito Creek and Mosquito Creek for the discharge associated with the London Mine Water Tunnel Facility
- To facilitate the transfer of the Extension Tunnel and Water Tunnel permits to MineWater and establish a framework for future termination of the Extension Tunnel Permit

Current Status

MineWater is in compliance with all corrective action requirements outlined in Settlement Agreement (in-mine evaluation, petition for site-specific rulemaking filed, discharge permits transferred to MineWater, in-mine repairs, increased sediment pond capacity, treatment of discharge, penalty payment, etc)

Water Quality improvements (improvements made to all metals including Zn, Cd, As, Ag, Cu, Pb, Mn, Se, etc)

Water Tunnel Discharge			
	December 2015	December 2016	% change
Zn, PD (permit limit= 1,300 ug/l)	1700 ug/l (acute)	400 ug/l (acute)	76%
Cd, dis (permit limit= 3.2 ug/l)	4.9 ug/l (chronic)	0.6 ug/ l (chronic)	88%