Message

From: McClain-Vanderpool, Lisa [Mcclain-Vanderpool.Lisa@epa.gov]
Sent: 3/29/2016 1:42:52 PM
To: Piggott, Amelia [Piggott.Amelia@epa.gov]; Madigan, Andrea [Madigan.Andrea@epa.gov]; Smith, Paula [Smith.Paula@epa.gov]
CC: Jackson, Laurianne [Jackson.Laurianne@epa.gov]
Subject: RE: Gilt Edge/Nelson Tunnel Settlements

Okay – I'll work with the OECA comms folks today on this and get it back to you.

From: Piggott, Amelia
Sent: Tuesday, March 29, 2016 7:34 AM
To: Madigan, Andrea <Madigan.Andrea@epa.gov>; Smith, Paula <Smith.Paula@epa.gov>; McClain-Vanderpool, Lisa <Mcclain-Vanderpool.Lisa@epa.gov>
Cc: Jackson, Laurianne <Jackson.Laurianne@epa.gov>
Subject: RE: Gilt Edge/Nelson Tunnel Settlements

Yes- Lisa, please let me know whatever comments or thoughts you have and I can incorporate them into the document.

Thanks,

ap

Amelia Piggott
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From: Madigan, Andrea
Sent: Monday, March 28, 2016 4:00 PM
To: Smith, Paula <Smith.Paula@epa.gov>; McClain-Vanderpool, Lisa <Mcclain-Vanderpool.Lisa@epa.gov>
Cc: Piggott, Amelia <Piggott.Amelia@epa.gov>; Jackson, Laurianne <Jackson.Laurianne@epa.gov>
Subject: FW: Gilt Edge/Nelson Tunnel Settlements

Below is a summary of the settlements and a draft press release. I also sent this draft to Mary McCullough in OECA to look at. We don't yet have a draft for Nelson Tunnel.
Amelia, could you work with Lisa and Mary on the Gilt Edge press release? Laurianne Jackson is the site attorney for Nelson Tunnel. We need to follow up with the state of Colorado regarding its concerns about a press release.

Andrea Madigan
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From: Madigan, Andrea
Sent: Monday, March 28, 2016 11:14 AM
To: Schefski, Kenneth <Schefski.Kenneth@epa.gov>
Subject: Gilt Edge/Nelson Tunnel Settlements

CoCa Mines, Inc., is a former operator at both the Gilt Edge site in South Dakota and the Nelson Tunnel site in Colorado. CoCa is a wholly owned subsidiary of Helca Mining Company. We have reached settlements with CoCo for both sites as follows:

Gilt Edge – CoCa will pay $10.3 million in cash, and the first $400,000 of any recovery under an insurance policy, plus 50% of any subsequent recovery up to $700,000. The settlement also includes an individual who served as an officer of CoCa. South Dakota will get 10% and the balance will go into a special account to fund future cleanup. EPA and the State of South Dakota previously entered into settlements with other former mine operators recovering over $30 million to fund cleanup.

The 360-acre Gilt Edge Mine Site is located 6.5 miles east of Lead, South Dakota, and encompasses a former open pit and a cyanide heap-leach gold mine. The Site had been used for hard rock mining since the late 1800s and has been extensively disturbed by mining and mineral processing operations. Many features associated with mining operations remain at the site including large open pit lakes with high walls of exposed mineralized bedrock, extensive underground mine workings, and acres of waste rock, spent ore and tailings. Exposure of these sulfide containing materials to air and oxygen generates approximately 95 million gallons acid rock drainage a year.

Nelson Tunnel – CoCo will pay $6 million to resolve its liability at Nelson Tunnel. (I misspoke at LT and said $8 million). Colorado will get 10% and the balance will go into a special account to fund future work.

The Nelson Tunnel site is located on West Willow Creek, upstream of the City of Creede, in Mineral County, Colorado, in the San Juan Mountains, in the Creede Mining District.
The site includes a waste rock pile consisting of approximately 250,000 cubic yards of mineralized waste rock and the Nelson Tunnel, a mining adit that discharges approximately 300 gallons per minute of metals contaminated water directly into West Willow Creek.
The Site was listed on the National Priorities List on September 3, 2008.

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