

October 30, 2025

Registered Agent Solutions, Inc. LKA International, Inc. 7700 E Arapahoe Rd. Ste. 220 Centennial, Colorado 80112

Certified Mail Number: 7022 3330 0001 8504 7487

RE: Service of Operator Certification Notice of Violation, Number: OW-251030-1

To Whom It May Concern:

LKA International, Inc. is hereby served with the enclosed Operator Certification Notice of Violation ("OCNOV"). This OCNOV is issued by the Division pursuant to authority given to the Division by § 25-9-110(3), C.R.S., of the *Water and Wastewater Facility Operators Certification Statute* ("Statute"). The Division bases this OCNOV upon findings that LKA International, Inc. violated the Statute and the *Water and Wastewater Facility Operators Certification Requirements*, 5 CCR 1003-2, § 100, as described in the enclosed OCNOV.

Pursuant to § 25-9-110(3), C.R.S., LKA International, Inc. is required, within 30 calendar days of receipt of this OCNOV, to submit to the Division an answer to each violation alleged in the OCNOV.

This OCNOV could result in the imposition of civil penalties. The Division is authorized pursuant to § 25-9-110(5), C.R.S., to impose a penalty of up to \$300 per day for each day during which such violation occurs.

Please be advised that the Division is continuing its investigation into this matter and the Division may identify supplementary violations that warrant amendments to the OCNOV or the issuance of additional enforcement actions.

Should you or representatives of LKA International, Inc. desire to discuss this matter informally with the Division, or if you have questions regarding the NOV/CDO or OCNOV, please do not hesitate to contact me at (303) 692-6498 or andrea.nestler@state.co.us.

Sincerely,

Andrea Nestler, Unit Lead Clean Water Enforcement Unit WATER QUALITY CONTROL DIVISION

Enclosure(s)

ec: Enforcement File

Kye Abraham, President, LKA International, Inc.

Stephanie Meyers, EPA Region 8

Joni Adelman, Silver Thread Public Health District

Aimee Konowal, Watershed Section, CDPHE



Kelly Morgan, Compliance & Enforcement Section, CDPHE Alex Hawley, Grants and Loans Unit, CDPHE Stephanie Martin, Engineering Section, CDPHE Cameron Wilkins, Field Services Section, CDPHE Erin Scott, Permits Section, CDPHE Eric Mink, Clean Water Enforcement Unit, CDPHE Veronica Kenkel, Data Management Workgroup, CDPHE Liam Junk, Field Services Section, CDPHE Lucas West, Division of Reclamation Mining & Safety, DNR



WATER QUALITY CONTROL DIVISION

OPERATOR CERTIFICATION NOTICE OF VIOLATION

IN THE MATTER OF: LKA INTERNATIONAL, INC.

CDPS PERMIT NO. CO0048119 HINSDALE COUNTY, COLORADO

Pursuant to the authority vested in the Colorado Department of Public Health and Environment's Water Quality Control Division ("Division") by \$25-9-110(3), C.R.S, the Division hereby makes the following findings and issues this Operator Certification Notice of Violation ("NOV"):

GENERAL FINDINGS

- 1. At all times relevant to the alleged violations identified herein, LKA International, Inc. ("LKA") was a Nevada corporation in good standing and registered to conduct business in the State of Colorado.
- 2. LKA owns and/or operates the Golden Wonder Mine, located at approximately 38.0032, 107.2828, approximately five miles southeast of the Town of Lake City, Hinsdale County, Colorado ("Facility").
- 3. The Facility consists of a lower level (Level 6) and an upper level (Level 3). Two haul roads provide access to the Facility's Level 6 and Level 3 areas. The Facility is a historical, currently idle, underground mine that has held a mining permit from the Colorado Department of Natural Resources' Division of Reclamation, Mining and Safety ("DRMS") since 1978. Historically, LKA conducted mining activities using both the Level 3 and Level 6 portals. The Level 3 and Level 6 pads were constructed from waste rock. The Facility's effluent consists of stormwater drainage from the Level 3 and Level 6 pads and the haul roads, mine adit drainage from the Level 6 portal, and two seep discharges that emanate from the toe of a waste rock pile beneath the Level 6 pad.
- 4. The Facility is the subject of the Colorado Discharge Permit System ("CDPS"), Permit Number CO0048119 ("Permit"). The current version of the Permit became effective March 1, 2019, was modified on May 31, 2019, and is currently administratively continued.
- 5. On June 14, 2024, the Division received a renewal application from LKA to renew Permit coverage for the Facility ("Renewal Application"). The Renewal Application included a summary of updates made to the wastewater treatment system(s) at the Facility.
- 6. According to Renewal Application, stormwater and process water effluent from the Facility is treated via the following mechanisms:



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- a. Mine adit drainage from the Level 6 portal is captured via a surface drain and transported via gravity flow to a 20,000 gallon lined retention pond ("treatment pond") located on the Level 6 pad. From the treatment pond, wastewater is pumped, as needed to maintain capacity in the treatment pond, to a partially buried 5,000 gallon polyethylene treatment tank ("treatment tank"). Reagents (soda ash) and floc are added to the treatment tank, mixed with pumps, and allowed to settle for 24-30 hours. After treatment, the effluent is discharged via Outfall 002.
- b. Stormwater runoff from the Level 6 pad is captured via surface runoff in a 24,000 gallon retention pond ("stormwater pond"), located to the southwest of the treatment pond, on the Level 6 pad. Stormwater within the stormwater pond is allowed to evaporate and is treated as needed and discharged via Outfall 002.
- 7. The Facility includes an "industrial wastewater treatment facility" as defined by \$25-9-102(4.7), C.R.S., and its implementing regulation, 5 CCR 1003-2, \$100.2(10).
- 8. Pursuant to 5 CCR 1003-2, \$100.7.2, the Facility's industrial wastewater treatment facility is classified as "Class B."

Failure to Have a Certified Operator in Responsible Charge

- 9. Pursuant to \$25-9-110(2)(a), C.R.S., and 5 CCR 1003-2, \$100.10.1(a), no owner of an industrial wastewater treatment facility shall allow the facility to be operated without the direct supervision of an operator in responsible charge certified in a classification equivalent to or higher than the classification of the facility.
- 10. Pursuant to 5 CCR 1003-2, §100.10.4, each owner of a wastewater facility shall submit in writing to the Division, no later than 30 days following the date the facility is initially placed on-line and, thereafter, no later than 30 days after changes to any of the following information:
 - a. Name, mailing address, phone number, and email address (if available) of the facility legal representative providing the information;
 - b. Full legal name and operator identification number of certified operator(s) in responsible charge:
 - c. Identification of the facility or facilities for which each certified operator in responsible charge has responsibility;
 - d. The CDPS permit or certification number for all facilities listed.
- 11. Division records to-date establish that LKA has failed to provide the Division with information or documents demonstrating that the Facility is operated under the direct supervision of an operator in responsible charge, holding a valid certificate at a classification equivalent to or higher than Class B for Wastewater Treatment. LKA's Renewal Application listed Kye Abraham, the President of LKA, as the ORC contact; however, as of the date of this NOV, Kye Abraham does not hold an ORC certification in the State of Colorado.
- 12. LKA's failure to operate its <u>industrial wastewater treatment facility</u> under the supervision of a certified operator in responsible charge with the proper classification constitutes violation(s) of \$25-9-110(2)(a), C.R.S., and 5 CCR 1003-2, \$100.10.1(a).



REQUIRED ACTION

The Division hereby orders LKA to comply with the following specific terms and conditions of this NOV:

- 13. Within 30 calendar days from the date of this NOV, LKA shall retain an operator-in-responsible-charge certified in classifications equivalent to or higher than the classifications of the Facility as specified in the Water and Wastewater Facility Operators Certification Requirements, 5 CCR 1003-2.
- 14. Within 45 calendar days from the date of this NOV, LKA shall submit to the Division the information specified in 5 CCR 1003-2, §100.10.4, documenting that the Facility is being operated under the supervision of an operator in responsible charge with the proper certification(s). The attached Change of Contact form may be used to report the required information. (*Please note that the Facility's classification(s) may change upon completion of any Facility improvements.*)

NOTICES AND SUBMITTALS

15. For all documents, plans, records, reports and replies required to be submitted by this NOV, LKA shall submit an original **OR** an <u>electronic copy</u> to the Division at the following address:

Original copies shall be mailed to:

Andrea Nestler
Colorado Department of Public Health and Environment
Water Quality Control Division
Mail Code: WQCD-CWE-B2
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530
Telephone: (303) 692-6498

Electronic copies shall be emailed to: andrea.nestler@state.co.us

16. For any person submitting documents pursuant to this NOV, that person shall make the following certification with each submittal:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."



POTENTIAL CIVIL PENALTIES

17. You are also advised that any owner of a water treatment facility, a domestic or industrial wastewater treatment facility, a wastewater collection system, or a water distribution system in the State of Colorado who violates the Water and Wastewater Facility Operators Certification Statute ("Statute") at \$25-9-110(2), C.R.S., shall be subject to a civil penalty of not more than \$300 per day for each day during which such violation occurs. By virtue of issuing this NOV, the State has not waived its right to bring an action for civil penalties under the Statute at \$25-9-110(5), C.R.S., and may bring such action in the future.

OBLIGATION TO ANSWER AND REQUEST FOR HEARING

- 18. Pursuant to \$25-9-110(3), C.R.S., you are required to submit to the Division an answer to each alleged violation. The answer shall be filed no later than 30 calendar days after receipt of this action.
- 19. Pursuant to §25-9-110(4), C.R.S., and 5 CCR 1003-2, §100.10.7, an alleged violator of the Statute at §25-9-110(2)(a), C.R.S., may request a public hearing to contest the contents of this NOV. Such request shall be filed in writing with the Division no later than 30 days after service of this action, and shall contain, at a minimum, the information specified in 5 CCR 1003-2, §100.10.7(a-c). Hearings held pursuant to §25-9-110(4), C.R.S., shall be conducted before the Colorado Water and Wastewater Facility Operators Certification Board in accordance with §24-4-105, C.R.S. The filing of an answer does not constitute a request for hearing.

Issued at Denver, Colorado, this 30th day of October, 2025.

FOR THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Kelly Morgan
Clean Water Compliance and Enforcement Section Manager
WATER QUALITY CONTROL DIVISION

