

Katie Hobbs  
Governor

# ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY



Karen Peters  
Cabinet Executive Officer  
Executive Deputy Director

Case ID #: 217184

December 26, 2023

Gold Paradise Peak Inc.  
Attention: Songqiang Chen  
1660 S Amphlett Blvd  
Ste 104  
San Mateo, CA 94402

Subject: 570 Adit Waste/Tailings Senator Highway, Place ID 185727  
LAT: 34d, 25', 39.7308" N LNG: 112d, 25', 47.046" W

## NOTICE OF VIOLATION

This Notice of Violation (NOV) is an informal compliance assurance tool used by the Arizona Department of Environmental Quality (ADEQ) to put a responsible party (such as a facility owner or operator) on notice that the Department alleges a significant violation of an environmental requirement has occurred and this notice describes the facts known to ADEQ at the time of issuance. ADEQ has reason to believe that Gold Paradise Peak Inc. as the owner/operator of 570 Adit Waste/Tailings Senator Highway has violated a requirement of the Arizona Revised Statutes (A.R.S.), a rule within the Arizona Administrative Code (A.A.C.), or an applicable permit, license, or administrative order. ADEQ identified the violations alleged below during an inspection or file review completed on December 14, 2023. See the Evidence of Compliance section below for the actions necessary to demonstrate resolution of the alleged violation(s).

ADEQ reserves the right to take a formal enforcement action, such as issuing an administrative order or filing a civil lawsuit, regardless of whether the Department has issued an NOV. Neither ADEQ's issuance of an NOV nor its failure to do so precludes the Department from pursuing these remedies. However, the timeliness of a complete response to this notice will be considered by ADEQ in determining if and how to pursue such remedies.

If this NOV is a result of an inspection then the NOV also serves as a monthly status update as required by A.R.S. § 41-1009(J).

### I. LEGAL AUTHORITY and NATURE OF ALLEGED VIOLATION(S)

#### 1. **Permit - Permit 90178 - Part I.D(f) Surface Water Quality Standards**

**Violation of the surface water quality standard for a surface water that contains pollutants in amounts or combinations that change the color of the surface water from natural background levels of color.**

On December 14, 2023, ADEQ received a complaint that the Hassayampa River was running brown on December 12, 2023. Accordingly, ADEQ conducted an onsite inspection at Senator Mine (570 Adit Waste/Tailings Senator Highway) on December 14, 2023.

Upon arrival to Senator Mine on December 14, 2023 at 12:00 PM, the ADEQ inspector observed the Hassayampa River upstream of the Senator Mine Adit flowing clear. A stream of brown water was observed continuously discharging down the slope from the Senator

#### Main Office

1110 W Washington Street ● Phoenix, AZ 85007  
(602) 771-2300

#### Southern Regional Office

400 W Congress Street ● Suite 433 ● Tucson, AZ 85701  
(520) 628-6733

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Mine Adit into the Hassayampa River. It was observed that the Hassayampa River changed color downstream of the Senator Mine Adit discharge.

2. **AZPDES Permit Standard Condition 5. Duty to Mitigate**

**Failure of the Permittee to take all reasonable steps to minimize or prevent any discharge or sludge use or disposal in violation of this permit which has the reasonable likelihood of adversely affecting human health or the environment.**

On December 14, 2023, ADEQ received a complaint that the Hassayampa River was running brown on December 12, 2023. Accordingly, ADEQ conducted an onsite inspection at Senator Mine (570 Adit Waste/Tailings Senator Highway) on December 14, 2023. Upon arrival to Senator Mine on December 14, 2023 at 12:00 PM, the ADEQ inspector observed brown water discharging to the Hassayampa River from the Senator Mine Adit.

On December 15, 2023, at the direction of ADEQ, Gold Paradise Peak, Inc. submitted a Noncompliance Report alleging the pipe directing flow from the adit to the wetland treatment cells was seriously damaged by trespassers. ADEQ has determined from the noncompliance report that Gold Paradise Peak, Inc. failed to implement site security to limit access to the treatment processes.

Further, Gold Paradise Peak, Inc., reported acid mine drainage from the adit is exiting the site through the storm water diversion channel and will continue to bypass the wetland treatment process and discharge to the Hassayampa River until the anticipated resolution date of December 21, 2023. The brown discharge indicates the presence of pollutants such as Suspended Solids, which have the reasonable likelihood of adversely affecting the aquatic environment, as well as potential down stream recreational use by humans. This reach of the Hassayampa River includes Full Body Contact (FBC) as a designated use of the water.

3. **AZPDES Permit Standard Condition 6. Proper Operation and Maintenance**

**Failure of the Permittee to operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the Permittee to achieve compliance with the conditions of the permit.**

On December 14, 2023, ADEQ received a complaint that the Hassayampa River was running brown on December 12, 2023. Accordingly, ADEQ conducted an onsite inspection at Senator Mine (570 Adit Waste/Tailings Senator Highway) on December 14, 2023. Upon arrival to Senator Mine on December 14, 2023 at 12:00 PM, the ADEQ inspector observed acid mine drainage from the Senator Mine Adit bypassing the wetland cells and discharging directly to the Hassayampa River through the stormwater diversion channel adjacent to the wetlands.

In the noncompliance report submitted to ADEQ on December 15, 2023, Gold Paradise Peak, Inc. alleged the root cause of the bypass was due to trespassers damaging the pipe directing flow from the adit to the wetland treatment cells.

Further, the ADEQ inspector also observed soil disturbance near the adit and along the stormwater diversion channel. No sediment control measures were observed and

unconsolidated spoil piles of loose soil were present adjacent to the adit and along the stormwater diversion channel.

Gold Paradise Peak, Inc. failed to operate and maintain control of the adit discharge into the wetlands. By circumventing, or "bypassing", the wetlands, the acid mine drainage flowing out of the adit is diverted from the treatment process and discharging pollutants directly to the Hassayampa River, which is impaired for cadmium, copper, and zinc.

4. **Permit - Permit 90178 - Appendix D, Standard Condition, 14(d)(i), Bypass Prohibitions Bypass is prohibited, the Director may take enforcement action against a Permittee for bypass events, unless the bypass was unavoidable to prevent loss of life, personal injury, or severe property damage; there were no feasible alternatives to the bypass; the Permittee submitted notices as required under paragraph (c) of this Section.**

On December 14, 2023, ADEQ received a complaint that the Hassayampa River was running brown on December 12, 2023. Accordingly, ADEQ conducted an onsite inspection at Senator Mine (570 Adit Waste/Tailings Senator Highway) on December 14, 2023. Upon arrival to Senator Mine on December 14, 2023 at 12:00 PM, the ADEQ inspector observed brown water discharging to the Hassayampa River from the Senator Mine Adit.

The ADEQ inspector observed acid mine drainage from the Senator Mine Adit bypassing the five wetland treatment cells and discharging directly to the Hassayampa River. The volume and quality of the bypass is unknown.

At the time of the inspection, Gold Paradise Peak, Inc. did not submit written notification to ADEQ of the bypass noncompliance event. During the onsite inspection, Gold Paradise Peak, Inc. indicated the root cause of the bypass was due to trespassers damaging the pipe directing flow from the adit to the wetland treatment cells. The ADEQ inspector directed Gold Paradise Peak, Inc. to stop the onsite activity and implement control measures, such as sediment wattles.

## II. EVIDENCE OF COMPLIANCE

If you believe this Notice contains violations that did not occur, please submit evidence within 10 calendar days of receipt of this Notice demonstrating that the violation(s) never occurred. Upon receipt of such evidence, if ADEQ agrees that the violations(s) did not occur, ADEQ will either rescind or amend the Notice. ADEQ will provide you with the conclusion of its evaluation.

Otherwise, please provide evidence of compliance by meeting the conditions below. If ADEQ recommends a condition to assist you in achieving compliance, it will clearly note that the condition is recommended to be met and is not required by law.

1. Within 2 calendar days of receipt of this Notice, please submit a written document, signed and certified by a responsible corporate officer, describing the corrective actions that have been implemented in response to the damage to the pipe directing flow from the adit to the wetlands. The written document, at a minimum, should include:

- i. a detailed description for each corrective action implemented;
  - ii. a description of the damage to the pipe;
  - iii. an explanation of the disturbance to the rock that is lining the entrance to the adit;
  - iv. an explanation of the disturbance of soil in and around the adit; and,
  - v. a description of the current state of the site as of the transmission date to ADEQ.
2. Within 2 calendar days of receipt of this Notice, please submit a written document, signed and certified by a responsible corporate officer, describing the corrective action plan, including a schedule with dates, for the immediate countermeasures to prevent discharges through bypass.
  3. Within 2 calendar days of receipt of this Notice, please submit (1) documentation of monthly routine inspections, in accordance with Part IV.A.1.c of the Permit (Permit No. AZ0026541; LTF No. 90178), for October 2023, November 2023, and December 2023, or (2) written notification Gold Paradise Peak, Inc. does not have these records.

(1) The inspections should, at a minimum, address the following:

- i. Cleaning and maintaining inlet and outlet structures, valves, and monitoring devices;
- ii. Sediment accumulation and removal as needed;
- iii. Vegetation Management;
- iv. Vector and pest control; and
- v. Dikes and berms.
- vi. Structural integrity of the wetland liners to prevent the treated and untreated adit discharges from contacting or comingling with tailings or wastewater materials.
- vii. Stormwater controls to prevent stormwater run-on and run-off of stormwater which could impact the treatment processes.
- viii. Assessment of pollutant loading in the wetland soils and plants to ensure proper functioning.
- ix. Site security to limit access to the treatment processes.

(2) The written notification must include an explanation as to why Gold Paradise Peak, Inc. does not have the records and the actions that will be implemented to ensure these monthly inspections are conducted as required going forward.

4. Within 2 calendar days of receipt of this Notice, please submit photographic documentation of control measures installed onsite to minimize the discharge of pollutants to the Hassayampa River from the Senator Mine Adit permitted area.
5. Within 30 calendar days of receipt of this Notice, please submit photographic documentation that site security has been installed, such as fencing or locked gates, to limit access to the treatment processes.

### III. SUBMITTING COMPLIANCE EVIDENCE

Please send all compliance evidence and any other written correspondence regarding this Notice by email to [saeed.steven@azdeq.gov](mailto:saeed.steven@azdeq.gov) or by mail to the following address:

Arizona Department of Environmental Quality, Attention: Steven Saeed, SWP Inspections & Compliance


Enforcement Unit, 400 W Congress, Ste 433, Tucson, AZ 85701 MC: 5415B-2

**IV. STATEMENT OF CONSEQUENCES**

Timely and good faith efforts to achieve and provide evidence of compliance within the time frames established in this Notice will be considered in determining whether ADEQ will further pursue unilateral formal enforcement, including an administrative compliance order or civil action requiring compliance within a reasonable time frame, civil penalties, and/or the suspension or revocation of an applicable permit/license. If you cannot meet the time frames established in this Notice, negotiate a compliance schedule in an administrative consent order or judgment. Failure to do so will be cause for ADEQ to pursue unilateral formal enforcement.

**V. OFFER TO MEET**

ADEQ is willing to meet regarding this Notice and can provide information on how to return to compliance. To obtain additional information about this Notice or to schedule a meeting to discuss this Notice, please contact Steven Saeed at (520) 628-6743.

DocuSigned by:  
  
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For Leigh Padgitt  
Leigh Padgitt, Manager  
SWP Inspections & Compliance  
Enforcement Unit

DocuSigned by:  
  
478CA7D26A7C43F...  
Steven Saeed  
SWP Inspections & Compliance  
Enforcement Unit