



Douglas A. Ducey  
Governor

ARIZONA DEPARTMENT  
OF  
ENVIRONMENTAL QUALITY



Misael Cabrera  
Director

**CERTIFIED MAIL**  
**Return Receipt Requested**

May 17, 2017

Gold Paradise Peak, Inc.  
Attention: Songqiang Chen  
1650 S. Amphlett Blvd.  
Ste. 200  
San Mateo, CA 94402

Case ID #: 175454

**Re: Notice of Violation issued to Gold Paradise Peak, Inc.**

Dear Mr. Songqiang Chen:

The attached Notice of Violation ("NOV") is an informal compliance assurance tool used by ADEQ to put a responsible party (such as a facility owner or operator) on notice that the Department believes a violation of an environmental requirement has occurred. It describes the facts known to ADEQ at the time of issuance and cites the requirement that ADEQ believes the party has violated.

Although ADEQ has the authority to issue appealable administrative orders compelling compliance, an NOV has no such force or effect. Rather, an NOV provides the responsible party an opportunity to do any of the following before ADEQ takes formal enforcement action: (1) meet with ADEQ and discuss the facts surrounding the violation, (2) demonstrate to ADEQ that no violation has occurred, or (3) document that the violation has been corrected.

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.

Sincerely,

Andy Koester, Manager  
AZPDES Individual Permits Unit

CC:

Don Harmer, Other Officer (Certified Mail)  
204 West Spear Street  
#3597  
Carson City, Nevada 89703

Registered Agents, Inc, Statutory Agent  
(Certified Mail)  
1846 E. Innovation Park Drive  
Ste 100  
Oro Valley, AZ 85722

Enclosure: ADEQ Notice of Violation Case ID 175454



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Case ID #: 175454

May 17, 2018

Gold Paradise Peak Inc.  
Attention: Songqiang Chen  
1650 S Amphlett Blvd  
Ste 200  
San Mateo, CA 94402

Subject: Senator Mine, Place ID 154018  
South Of The Senator Hwy About 1/4 Mile West Of The Junction Of The Senator Hwy And Walker Rd.

## NOTICE OF VIOLATION

The Arizona Department of Environmental Quality (ADEQ) has reason to believe that Gold Paradise Peak Inc. as the owner/operator of Senator Mine 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, administrative order or civil judgment. ADEQ discovered the violations alleged below during a file review completed on May 07, 2018.

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

#### 1. **A.R.S. § 49-255.01(A)**

##### **Addition of a pollutant to navigable waters from a point source without a permit.**

The Senator Mine is located south of the Senator Highway about 1/4 mile west of the junction of the Senator Highway and Walker Road in Yavapai County. The mine site consists of a tailings pile and an adit. A portion of the mine is located on Parcel 205-14-246N which appears to include the northwestern edge of the tailings pond.

Yavapai County Assessor's records list Gold Paradise Peak, Inc., an Arizona Corporation, as the owner of Parcel 205-14-246N. Gold Paradise Peak, Inc.'s website lists the "Senator" project and indicates that the company has "done extensive trenching work on the surface and defined probable ore reserve" and references that "water flows year-round from the lowest adit providing ample water for mining and milling purposes." The mine development plan posted on their website indicates that mining would begin in April 2017.

The adit, as referenced above, continuously discharges into the Hassayampa River which flows adjacent to the mine site. ADEQ's Hassayampa River Cadmium, Copper, and Zinc Total Maximum Daily Load (TMDL) was approved in 2002. The TMDL study identified the adit and tailings pile as sources of cadmium and zinc under low-flow conditions. The tailings pile also contributes copper under spring run-off (snow melt) conditions.

#### 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

[www.azdeq.gov](http://www.azdeq.gov)

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ADEQ has no record of Gold Paradise Peak, Inc., operator and partial owner of the Senator Mine, obtaining permit coverage from discharges of mine drainage or stormwater discharges into the Hassayampa River.

## II. DOCUMENTING COMPLIANCE

1. Within 30 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or file a Notice of Intent (NOI) to discharge stormwater under the Multi-Sector General Permit (MSGP).

A myDEQ account is required to apply for a NOI. To create a myDEQ account, visit:  
<http://www.azdeq.gov/mydeq/home>.

Prior to filing the NOI, a Stormwater Pollution Prevention Plan (SWPPP) that meets the requirements of the MSGP Section 5.0 must be developed and implemented in accordance with Permit AZMSG2010-003. A free template is available on the ADEQ website (<http://www.azdeq.gov/node/525>) and will also be provided at request.

2. Within 30 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or a complete and signed digital copy of the SWPPP for review in accordance with Permit AZMSG2010-003, Appendix B, Paragraph 8, Duty to Provide Information, including the associated \$1,000 fee required by A.A.C R18-14-109.
3. Within 45 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or a comprehensive plan prepared by a professional with appropriate credentials (registered engineer, geologist, hydrologist, etc.) that includes, but is not limited to:
  1. A description of the measures that have been or will be taken to address the unpermitted discharges from the adit and other mine-related wastes into the Hassayampa River;
  2. Milestones and deadlines for completion.
4. Within 120 calendar days of receipt of this Notice, please submit documentation that the violation(s) never occurred, or documentation, including a written summary of completed work plan activities and photographs demonstrating that the discharges into the Hassayampa River have been stopped.

## III. SUBMITTING COMPLIANCE DOCUMENTATION

Please send all compliance documentation and any other written correspondence regarding this Notice to ADEQ at the following address:

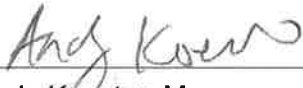
Arizona Department of Environmental Quality, Attention: Mindi Cross, AZPDES Individual Permits Unit,  
1110 W Washington St, Phoenix, AZ 85007 MC: N/A

#### IV. STATEMENT OF CONSEQUENCES

1. The time frames within this Notice for achieving and documenting compliance are firm limits. Failure to achieve or document compliance within the time frames established in this Notice will result in an administrative compliance order or civil action requiring compliance within a reasonable time frame, substantial civil penalties, and/or the suspension or revocation of an applicable permit/license. ADEQ will agree to extend the time frames only in a compliance schedule negotiated in the context of an administrative consent order or civil consent judgment.
2. Achieving compliance does not preclude ADEQ from seeking civil penalties, and/or suspending or revoking an applicable permit/license for the violation(s) alleged in this Notice as allowed by law.

#### V. OFFER TO MEET

ADEQ is willing to meet regarding this Notice. To obtain additional information about this Notice or to schedule a meeting to discuss this Notice, please contact Mindi Cross at (602) 771-2209.



Andy Koester, Manager  
AZPDES Individual Permits Unit



Mindi Cross  
AZPDES Individual Permits Unit