



Gilt Edge Mine Superfund Site Settlements with Site Property Owners

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Background

The Gilt Edge Mine Superfund Site is located approximately 6.5 miles southeast of the town of Lead in the northern Black Hills in Lawrence County, South Dakota. The site is located at the headwaters of three tributaries draining into Bear Butte Creek: Strawberry Creek, Terrible Gulch, and Ruby Gulch.

Mining began at the site in 1876 when the Gilt Edge and Dakota Maid mining claims were located. Sporadic mining by numerous operators were conducted at the Site until 1941. Early gold miners developed extensive underground workings that wind through the central portion of the site and engaged in some surface mining as well. In addition, the early miners deposited mill tailings in Strawberry Creek and Bear Butte Creek.

Beginning in 1975, an extensive mine development program at the site was initiated to investigate potential production of gold and other metals and several companies engaged in both surface and underground mining as well as other mining related activities.

In 1986, Brohm Mining Company (BMC) commenced development of a large scale open pit, cyanide heap leach gold mine operation. In 1999, BMC abandoned the site. At the request of the State, EPA listed the site on the National Priorities List in 2000 and assumed responsibility for cleanup.

The site is contaminated as a result of historic mining activities. Contaminates at the site include hazardous substances as arsenic, aluminum, cadmium, copper, iron, lead, manganese and zinc. A significant environmental problem at the site is acid rock drainage (ARD). Commonly associated with mining sites, ARD is created when water comes into contact with highly mineralized rocks and soils that have been unearthed and exposed to air. This water becomes acidic, and the acid draws heavy metals from the rocks and soils through which it drains. The result is ARD: highly acidic water carrying high levels of heavy metals. EPA's cleanup actions at the site include the collection and treatment of ADR to prevent off-site releases.



Settlements With Property Owners

The Superfund law imposes liability for the cost of clean up at contaminated sites on certain parties associated with such sites, referred to as potentially responsible parties (PRPs). Over the past two years, EPA entered into settlements with seven PRPs that own the property comprising the Gilt Edge Mine site. To satisfy their liabilities, each property owner confessed to entry of a judgment in negotiated amounts, that combined, totals \$12,775,000.

Rather than making cash payments to EPA, each party will satisfy their respective judgment in full by transferring all of their land within the site boundaries to the State of South Dakota and by assigning to EPA all potential rights to any insurance claim proceeds. In addition, one of the settling parties will sell other land outside the site and use a portion of the sales proceeds to pay EPA in cash.

For More Information

More information about the Gilt Edge Mine site is available on the EPA website at

www2.epa.gov/region8/gilt-edge-mine

In addition, you may contact:

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