Battle Mountain Resources Inc.

P.O. Box 310

San Luís, CO 81152

October 8, 2013

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Mr. Wally Erickson State of Colorado Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

Re: Battle Mountain Resources Inc. San Luis Project CMLRB Permit No. M-88-112 September 2013 Monthly Report

Dear Mr. Erickson:

The following summarizes monitoring and site activities at the Battle Mountain Resources Inc. (BMRI), San Luis Project for the month of September, 2013.

Surface and ground water monitoring and analysis were completed for all required sites during the month per the terms and conditions of the TR-32 Quality Assurance and Quality Control (QA/QC) plan.

The M-14 well water sample collection program has begun as outlined in the Response Plan which was approved on September 16th. The Response Plan was submitted in accordance with TR-32 in order to evaluate the elevated Total Dissolved Solid (TDS) associated with this well.

Vacuum on the tailing lysimeters was verified on September 30th, no water was present for sampling and subsequent analysis.

Depths to water were collected for the tailing impoundment main embankment piezometers and the West Pit monitoring wells on September 30^{th} . September tailing impoundment piezometer measurements identified these installations were either dry or contained less than 12 inches of water as illustrated in Table 2. Tables 1 and 2 below identify the depth to water measurements collected for each of the site monitoring wells, piezometers and lysimeters as required by the terms and conditions of the TR-32 QA/QC plan.

The leak detection system was measured on September 30th. A total of 765 gallons of water was excavated from the leak detection system yielding a monthly average of 25.5 gpad. The tailings pond under-drain measured 33gpm.

During the month of September, the West Pit water treatment plant operated efficiently discharging a total of 7,023,200 gallons (21.55 acre-feet) of water to Rito Seco Creek and a total of 2,448,800 gallons (7.52 acre-feet) of water was transferred from the West Pit to the tailings impoundment. Seepage along Rito Seco Creek remained dry during the month.



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DIVISION OF RECLAMATION

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Table 1-September 2013 Ground Water Monitoring Well and Lysimeter Depth to Water Measurements

Monitoring Site	Date	Depth to Water (feet)	
M-4R	9/30/13	0	
M-6	9/30/13	Dry	
M-7	9/30/13	Dry	
M-8	9/30/13	Dry	
M-9	9/30/13	141.97	
M-10	9/30/13	26.80	
M-11R	9/30/13	39.61	
M-12	9/30/13	175.87	
M-13R	9/30/13	127.01	
M-14	9/30/13	132.15	
M-15	9/30/13	93.18	
M-16	9/30/13	22.94	
M-19	9/30/13	24.07	
M-21	9/30/13	17.78	
M-22	9/30/13	15.96	
M-26	9/30/13	16.25	
M-32	9/30/13	45.06	
M-33	9/30/13	49.66	
M-34	9/30/13	25.12	
BF-4	9/30/13	24.92	
BF-6	9/30/13	30.92	
LS-1	9/30/13	Dry	
LS-2	9/30/13	Dry	
LS-3	9/30/13	Dry	
LD-1	9/30/13	Dry	
LD-2R	9/30/13	Dry	
LD-3	9/30/13	Dry	

Table 2 – September 2013 Tailing Disposal Area Piezometer Depth to Water

Piezometer	Date	Depth to Water (feet)	Total Depth (ft)	Volume of Water (ft)
P6	9/30/13	Dry	72.46	0.00
P7	9/30/13	92.25	92.50	0.25
P8	9/30/13	96.92	97.51	0.59
P9	9/30/13	71.87	72.30	0.43

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Table 2 – September 2013 Tailing Disposal Area Piezometer Depth to Water Measurements (continued)

Piezometer	Date	Depth to Water (feet)	Total Depth (ft)	Volume of Water (ft)
P10	9/30/13	57.38	58.30	0.92
P11	9/30/13	41.37	41.80	0.43
P12	9/30/13	41.67	41.71	0.04
P13	9/30/13	40.92	41.34	0.42
P14	9/30/13	Dry	41.24	0.00
P15	9/30/13	40.88	41.10	0.22

Table 3 below provides the calendar year 2013 sludge management for the San Luis site.

Table 3 - Water Treatment Plant Sludge Management Year to Date.

Date	Quantity	Sludge Management
February 2013	172.5 Tons	Sludge transferred from drying pad to Lined Tailings Facility.
August 2013		Sludge transferred from Pond #3 to drying pad.

Should you have any questions or comments, please do not hesitate to contact either myself at (719) 379-0798 or Mr. Larry Fiske at (303) 837-5676.

Sincerely,

Julio F. Madrid Sr. Supervisor Legacy Sites Reclamation and Closure

Cc: Larry Fiske File