



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

**Revised Notice of 112d-3 Hard Rock/Metal Mining
Reclamation Permit Partial Acreage Release Request Consideration**

DATE: September 23, 2014

TO: San Luis Valley Animal Welfare Society
76 El Rio Drive
Alamosa, CO 81101

FROM: Wallace H. Erickson, Environmental Protection Specialist

RE: **Request for Reduction of Permit Acreage (AR-02),
Battle Mountain Resources, Inc., San Luis Project, Permit No. M-1988-112**

Please be advised that on August 20, 2014, Battle Mountain Resources, Inc., whose address and telephone number are P.O. Box 310, San Luis, Colorado 81152-0310; (710) 379-0798, submitted a request for partial acreage release for the San Luis Project, Permit No. M-1988-112. The hard rock/metal mining operation is located at or near Section 22, Township 32 South, Range 71 West, 6th Principal Meridian, in Costilla County.

Written comments or objections to the release may be submitted to, and additional information obtained from, the Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, Colorado 80203, (303) 866-3567. Comments or objections should be submitted within 15 days, due on or before October 8, 2014. The Division is required to wait 30 days after the release decision is made to allow for appeals.

Previous notices to the San Luis Valley Animal Welfare Society were mailed to the address on record with the Division, and these notices have been returned by the US Post Office. This revised notice is being mailed to the address provided on the web site for the San Luis Valley Animal Welfare Society.



**RECEIVED**

OCT 10 1989

MINED LAND
RECLAMATION DIVISION

Doc Name: >

Permit

This form contains two major parts: (1) General Operation Information and (2) Exhibits A-P. When you submit your application, be sure to include four signed copies of the General Operation Information, four copies of Exhibits A-P, and a check for the application fee described under (4) below. To expedite processing, please provide the information in the format and order described in this form.

GENERAL OPERATION INFORMATION

Rec'd 11073

Type or print clearly, in the space provided, all information described below.

1. Applicant/Operator Name: Battle Mountain Resources, Inc.
2. Operation Name (Pit, mine or site name): San Luis Project
3. Application type: Amendment to Permit No. M88-112, Regular 112
Permit Operation.
4. Application Fee for Permitted Acreage* 2,200 permitted acres.
(\$50.00 + \$15.00/acre, 1st. 50 acres;
\$10.00/acre, 2nd. 50 acres; \$5.00/acre, 3rd. 50 acres;
\$1.00/acre, any additional acreage; maximum fee of
\$2,000.00).
Note permitted acreage and application fee and
attach a check for this amount when you file. \$100.00 application fee.
5. Substance(s) to be mined (e.g., gold/silver/gravel): gold/silver
6. Owners(s) of Substance to be Mined
(check applicable box(s)): ☒ Private ☐ State ☐ Federal ☐ Indian
7. Owner(s) of Record of Affected Land
(check applicable box(s)): ☒ Private ☐ State ☐ Federal ☐ Indian
8. Type of Mining Operation
(check applicable box(s)): ☒ Surface ☐ Underground ☐ In-situ
9. Location Information. The center of the area where the majority of mining will occur lies in:

COUNTY: CostillaPRINCIPLE MERIDIAN (check one): ☒ 6th (Colorado) ☐ 10th (New Mexico) ☐ UteTOWNSHIP (write number and check direction): T 32 ☐ North ☒ SouthRANGE (write number and check direction): R 71 ☐ East ☒ WestSECTION (write number): S 22QUARTER SECTION (check one): ☐ NE ☐ NW ☒ SE ☐ SWQUARTER/QUARTER SECTION (check one): ☒ NE ☐ NW ☐ SE ☐ SW

GENERAL DESCRIPTION:

(miles and direction
from nearest town and
approximate elevation) Approximately 4 miles northeast of San
Luis, Colorado

* If the operator is a unit of State or county government, an application fee is not required. A fraction of an acre must be counted as one acre for fee calculation.

10. Correspondance Information

APPLICANT/OPERATOR (name, address, and phone of name to be used on permit)

Individual's Name: A. Walter Wise
Company Name: Battle Mountain Resources, Inc.
Street: 333 Clay Street, 42nd Floor
City: Houston
State: Texas Zip Code: 77002
Area Code: (713) Telephone: 650-6400

PERMITTING CONTACT (if different from applicant/operator above)

Individual's Name: Same
Company Name: _____
Street: _____
City: _____
State: _____ Zip Code: _____
Area Code: _____ Telephone: _____

INSPECTION CONTACT (if different from applicant/operator above)

Individual's Name: Gary Dodson
Company Name: Battle Mountain Resources, Inc.
Street: P.O. Box 1600
City: Alamosa
State: Colorado Zip Code: 81101
Area Code: (719) Telephone: 672-3362

11. Primary future land use (check one):
☐ Cropland(CR) ☐ Pastureland(PL) ☐ General Agriculture(GA)
☐ Rangeland(RL) ☐ Forestry(FR) ☒ Wildlife Habitat(WL)
☐ Residential(RS) ☐ Recreation(RC) ☐ Industrial/Commercial(IC)
☐ Developed Water Resources(WR) ☐ Solid Waste Disposal(WD)
12. Primary present land use (check one):
☐ Cropland(CR) ☐ Pastureland(PL) ☐ General Agriculture(GA)
☐ Rangeland(RL) ☐ Forestry(FR) ☒ Wildlife Habitat(WL)
☐ Residential(RS) ☐ Recreation(RC) ☐ Industrial/Commercial(IC)
☐ Developed Water Resources(WR)

To the best of my knowledge, all the information presented on this application form and the attached Exhibits A-P are true and correct (must be signed by applicant/operator).

Date: 9/24/89

By: A. Walter Wise
Title: Sr. Attorney

500
EXHIBIT A LEGAL DESCRIPTION

The San Luis Project permit area covers 2,200 acres with the following legal description.

A. Leased Land - 800 acres, Mine Site

Section 15: SW1/4 SW1/4;

Section 16: SE1/4 SE1/4;
SW1/4 SE1/4;
S1/2 SW1/4;

Section 17: SE1/4 SE1/4;

Section 20: N1/2 N1/2 NE1/4;
N1/2 SE1/4 NE1/4 NW1/4;
N1/2 S1/2 NW1/4 NE1/4;
S1/2 NE1/4 NE1/4;
S1/2 SE1/4 NE1/4 NW1/4;
S1/2 S1/2 NW1/4 NE1/4;
NE1/4 SE1/4 NW1/4;
N1/2 S1/2 NE1/4;

Section 21: NW1/4 NW1/4;
W1/2 NE1/4 NW1/4;
W1/2 E1/2 NE1/4 NW1/4;
E1/2 E1/2 NE1/4 NW1/4;
N1/2 NE1/4;
N1/2 S1/2 NW1/4;
N1/2 N1/2 SW1/4 NE1/4;
S1/2 N1/2 SW1/4 NE1/4;
S1/2 S1/2 NW1/4;
S1/2 SW1/4 NE1/4;
SE1/4 NE1/4;
N1/2 N1/2 SW1/4;
N1/2 NW1/4 SE1/4;

Section 22: NW1/4 NW1/4.

All located in Township 32 South, Range 71 West of the Sixth P.M.

B. Battle Mountain owned lands

1. Test Leach and Office Site - 10 acres

Section 22: NE1/4 NE1/4;

Section 23: NW1/4 NW1/4.

All located in Township 32 South, Range 72 West of the Sixth P.M.

2. Leach Pad, Plant Site, and Waste Rock Disposal Areas - 1,390 acres.

Tracts 43 through 67 of an unsurveyed portion of the Sangre de Cristo land grant known as the San Pedro Uplands.



EXHIBIT A LEGAL DESCRIPTION

11-8-88

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Section 15: SW1/4 SW1/4;

Section 16: SE1/4 SE1/4;
SW1/4 SE1/4;
S1/2 SW1/4;

Section 17: SE1/4 SE1/4;

Section 20: N1/2 N1/2 NE1/4;
N1/2 SE1/4 NE1/4 NW1/4;
N1/2 S1/2 NW1/4 NE1/4;
S1/2 NE1/4 NE1/4;
S1/2 SE1/4 NE1/4 NW1/4;
S1/2 S1/2 NW1/4 NE1/4;
NE1/4 SE1/4 NW1/4;
N1/2 S1/2 NE1/4;

Section 21: NW1/4 NW1/4;
W1/2 NE1/4 NW1/4;
W1/2 E1/2 NE1/4 NW1/4;
E1/2 E1/2 NE1/4 NW1/4;
N1/2 NE1/4;
N1/2 S1/2 NW1/4;
N1/2 N1/2 SW1/4 NE1/4;
S1/2 N1/2 SW1/4 NE1/4;
S1/2 S1/2 NW1/4;
S1/2 SW1/4 NE1/4;
SE1/4 NE1/4;
N1/2 N1/2 SW1/4;
N1/2 NW1/4 SE1/4;

Section 22: NW1/4 NW1/4.

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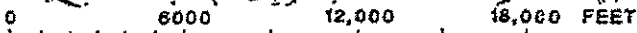
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11-8-88



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2/89

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FIGURE B-2

**SAN LUIS PROJECT
AREA LOCATION MAP**

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ARØZ

Battle Mountain Resources, Inc.

P.O. Box 310
San Luis, CO 81152-0310

"Submitted"

August 14, 2014

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

Re: Notice of Completion
San Luis Mine Project
Permit No. M-88-112
Certified Mail Number: 7014 0510 0000 1831

RECEIVED

AUG 20 2014

DIVISION OF RECLAMATION
MINING AND SAFETY

Dear Mr. Erickson:

The purpose of this letter is to submit Battle Mountain Resources Inc.'s (BMRI) *Notice of Completion* for reclaimed lands currently contained within the Colorado Division of Reclamation, Mining and Safety (CDRMS) permit property boundary. BMRI is not seeking any financial warranty release.

Permit Reduction

The Permit Area is currently 1,801 acres and is shown on Exhibit 1. The Permit Area is divided into permitted disturbance areas (547 acres) and undisturbed areas (1,254 acres). Field surveys of the BMRI mine land disturbance and reclamation activities was completed by Telesto Solutions, Inc. in 2002, as indicated in the annual reports. Permitted disturbance areas had a total of 547 acres while actual disturbance areas had a total of 508.9 acres as shown in Table 1 – Summary of Project Mine Land Disturbance Areas.

Table 1 Summary of Project Mine Land Disturbance Areas

Area	Permitted Disturbance (Acres)	Actual Disturbance (Area)	Completed Reclamation (Acres)	Remaining Reclamation (Acres)
East Pit	20	20	20	0
West Pit	110	100	71.3	28.7
Waste Rock A	0	0	0	0
Waste Rock B	18	18	18	0

NOV - None
AR Due = 3/23/2015

Table 1 (continued) Summary of Project Mine Land Disturbance Areas

Area	Permitted Disturbance (Acres)	Actual Disturbance (Area)	Completed Reclamation (Acres)	Remaining Reclamation (Acres)
Waste Rock C	30	28	28	0
Waste Rock D	42	42	42	0
South Waste Rock	50	35	35	0
Mill Area	26	26	26	0
ESI Leach Pad	10	10	10	0
Borrow Area	11	5.5	0	5.5
Roads	30	24.4*	0	24.4*
Tailing Facility	192	192	169.4	22.6
Tailing Collection Pond	5	5	0	5
Admin. Office Complex – Deeded lands to Costilla County Soil Conservation District (CCSCD)	3	3	3 acres - Sold and conveyed to CCSCD	0
Total Area	547	508.9	422.7	86.2

Source:

Lyle, William, March 23, 2009, San Luis Project CDRMS 2008 Annual Report, p. 2.

Notes:

* Roads include areas that were previously accounted for within other facility footprints, but the majority of the facilities have been reclaimed only leaving the roadway surface disturbance. Previously, this roadway disturbance was included within the Waste Rock C, West Pit, and tailing facility disturbance identification. Therefore, the roadway disturbance acreage has been decreased.

The Permitted Area includes 35.14 acres of land, shown on Exhibit 1, which was sold and conveyed by BMRI to the CCSCD on October 31, 1997. The Bargain and Sale Deed documenting this transfer of ownership is included in Attachment A. The 35.14 acres was subsequently sold by CCSCD to the current owner, the San Luis Valley Animal Welfare Society.

The 35.14 acres is divided into permitted disturbance areas (3 acres as included in Table 1) and undisturbed areas (32.14 acres). BMRI is requesting to reduce the Permit Area by 35.14 acres, from the disturbed and undisturbed areas, which were previously sold and conveyed to CCSCD.

A reduction of 35.14 acres from the Permit Area (1,801 acres) would result in a new Permit Area of 1,765.86 acres.

Remaining Reclamation

The remaining reclamation to be performed is a total of 86.2 acres and is associated with the West Pit water treatment plant operations, the tailing area water management and reclamation,

access roadway reclamation, West Pit reclamation, and remaining topsoil stockpile storage area and reclamation as summarized in Table 2.

Table 2 Remaining San Luis Project Mine Disturbance

Area		Remaining Unreclaimed Disturbance Area (Acres)
West Pit		28.7
Tailing Facility Storage Pond		22.6
Roads and Borrow Areas		
	1. Topsoil Stockpiles	5.5
	2. Road around Tailing Facility and Collection Pond	4
	3. Tailing Facility Perimeter Road	12.9
	4. Waste Rock C Access Road	3.7
	5. Pink Gneiss Pit Haul Road	3.8
Tailing Facility Under-drain Collection Pond		5
Total Area		86.2

Owners of Record

BMRI is including the names, addresses, and phone numbers of all owners of record of the affected land.

Table 3 Land Owners – San Luis Project Permit Area

Owner
Battle Mountain Resources Inc. P.O. Box 316 San Luis, Colorado 81152 (719) 379-0799
San Luis Valley Animal Welfare Society 529 Main Street, Suite 2 Alamosa, CO 81101 (719) 587-9663

Published Notice

BMRI will publish notice in the Costilla County Free Press Newspaper located in San Luis, Colorado. BRMI will publish the notice after BMRI receives notice of filing from the Division. The published Notice will include the following required information:

The name of the mining operation;

The mining project is the San Luis Project;

The location of the mining operation in relation to the nearest municipality, giving direction and miles;

The San Luis Project is located approximately 4.5 miles northeast of the community of San Luis, Costilla County, Colorado.

A brief statement of what is being requested and that public comments concerning the appropriateness of the requested release should be sent within thirty (30) days to the address for the Division of Reclamation, Mining and Safety.

BMRI will include in the published Notice the following language:

Battle Mountain Resources Inc. (BRMI) hereby submits this Notice of Completion. This Notice is submitted as an administrative adjustment to the Colorado Division of Reclamation, Mining and Safety (CDRMS) Permit M-88-112 permit property boundary and does not constitute a request for partial or complete release of any financial warranty as discussed in Rules 4.17, 7.2.10 or 7.1.11 of CDRMS's regulations. BMRI requests that the CDMG permit property boundary be adjusted to account for land reclaimed in accordance with the approved CMLRB reclamation plan and undisturbed lands that have previously been deeded to the Costilla County Soil Conservation District, and requests release of 35.14 acres. An exhibit of the requested permit property boundary adjustment and lands requested for release have been submitted and are on file with the:

*State of Colorado
Division of Reclamation, Mining and Safety
1313 Sherman Street, Room 215
Denver, CO 80203*

Any interested party(ies) desiring to submit public comment concerning the appropriateness of this Notice of Completion is requested to submit such written comment(s) within 30 calendar days of the date of this publication to the:

*State of Colorado
Division of Reclamation, Mining and Safety
1313 Sherman Street, Room 215
Denver, CO 80203*

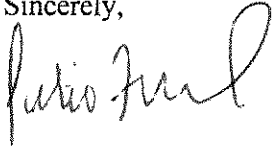
BRMI will submit proof of publication to the CDRMS.

Statement of Completion

BRMI believes that all applicable portions of the Reclamation Plan requirements have been satisfied in accordance with the Act and Mineral Rules and Regulations for Hard Rock, Metal, and Designated Mining Operations for the 35.14 acres requested to be removed from the permit area.

Should additional information be required or any clarifications are necessary, please contact me at (719) 379-0538.

Sincerely,



Julio Madrid
Project Manager
Battle Mountain Resources, Inc.

Enclosures: Exhibit 1
Attachment A: Bargain and Sale Deed, Costilla SCD

Cc: Larry Fiske, Newmont USA Limited
David Dehlin, Newmont USA Limited
Tim Runnells, AES
BMRI File

ATTACHMENT A



211545 11/20/1997 11:20A B351 P312

1 of 5 R 26.00 D 0.00 ROY D. MARTINEZ, COSTILLA

35 Ac tract
Plant site 2
San Luis

BARGAIN AND SALE DEED
(Statutory Form)

KNOW ALL MEN BY THESE PRESENTS, that Battle Mountain Resources, Inc., a Nevada corporation, whose address is 333 Clay Street, 42nd Floor, Houston, Texas 77002-4103 (herein "Battle Mountain" or "Seller"), for the consideration of Ten Dollars, in hand paid, hereby sells and conveys to Costilla County Soil Conservation District, a Colorado soil conservation district organized and existing under Title 35, Article 70, Colorado Revised Statutes, whose address is P.O. Box 145, San Luis, Colorado 81152 (herein "District" or "Buyer"); all that real property, situate in the County of Costilla and State of Colorado, to wit:

a. A tract of land located in Tracts 45 through 65 of the 1913 Survey of the San Pedro Lands, Costilla County, Colorado, containing 35.14 acres, more or less, and more particularly described in Exhibit A hereof (herein "the Subject Lands"),

b. An easement providing access to the above described parcel from Rito Seco Road, which easement is more particularly described in Exhibit B hereof, and

c. All fixtures and improvements of whatever character located on the Subject Land (the "Fixtures and Improvements"), as listed in Exhibit C hereof,

with all the appurtenances.

Signed and delivered this 31st day of OCTOBER, 1997.

ATTEST: [Signature]
Greg V. Effer, Secretary

[SEAL]
President

BATTLE MOUNTAIN RESOURCES, INC.

By: [Signature]
President

Costilla SCD
Purchase & Sale
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BOOK 351 PAGE 312

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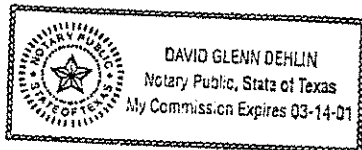
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2 of 5 R 26.00 D 0.00 ROY D. MARTINEZ, COSTILLA

STATE OF TEXAS)
COUNTY OF Harris) ss.

The foregoing instrument was acknowledged before me this 31st
day of October, 1997, by Jim D. Burt, as
President, and Gary V. Ehrst as Secretary
of Battle Mountain Resources, Inc..

My commission expires 3/14/01, 199 . Witness my hand
official seal.


Notary Public





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3 of 5 R 26.00 D 0.00 ROY D. MARTINEZ, COSTILLA

EXHIBIT A

Battle Mountain Gold Office Tract Description

A tract of land located in Tracts 45 through 65 of the 1913 Survey of the San Pedro Lands, Costilla County, Colorado, being more particularly described as follows:

Beginning at the Northwest Corner of the Tract hereinafter described from which AMS 7 (a brass cap set by Colorado PLS # 10389) bears N 36°16'08" E a distance of 6391.72 feet;
thence S 00°00'00" E a distance of 545.09 feet;
thence N 90°00'00" E a distance of 300.00 feet;
thence S 19°39'55" E a distance of 221.42 feet;
thence N 90°00'00" E a distance of 158.58 feet;
thence N 81°51'41" E a distance of 422.19 feet;
thence S 08°00'20" E a distance of 102.01 feet;
thence S 46°44'16" W a distance of 276.12 feet;
thence S 00°00'50" E a distance of 91.88 feet;
thence N 83°19'06" W a distance of 347.51 feet;
thence N 75°18'40" W a distance of 139.56 feet;
thence N 89°59'09" W a distance of 1494.75 feet;
thence N 00°00'00" W a distance of 999.78 feet;
thence N 00°00'00" E a distance of 1210.72 feet to the True Point of Beginning, containing 35.14 acres, more or less.

This tract is subject to any and all existing easements, including but not limited to a 20 foot wide Public Utility Easement, for an existing power line, an easement lying along the south line and including a portion of the southeast corner, of the above described tract, to be used as access to the currently occupied lay down area and safety trailers, an easement for the maintenance and operation of an existing buried water line servicing the Battle Mountain Gold Millsite, and easements for the operation and maintenance of any and all buried utilities of whatsoever nature.

This description was prepared by P.M. Lorton, Colorado PLS # 26966, on December 17, 1996 and the bearings for this description were based on the Battle Mountain Gold Local Coordinate Grid.



211545 11/20/1997 11:20A B351 P312
4 of 5 R 26.00 D 0.00 ROY D. MARTINEZ, COSTILLA

EXHIBIT B

Access Easement Description

An easement providing access to the parcel described in foregoing Exhibit A from the Rito Seco Road. Said easement being 60 feet in width and lying 30 feet on either side of the following centerline:

Beginning at a point on the south right-of-way line of said Rito Seco Road from which AMS 7 (a brass cap set by Colorado PLS # 10389) bears N 09°33'40" E a distance of 732.16 feet; thence S 15°42'46" W a distance of 622.59 feet; thence Southwesterly along the arc of a curve to the right a distance of 542.13 feet (Curve Data: Radius = 550.00', Delta = 56°28'34", Chord Bearing = S 43°57'03" W, Chord Length = 520.45'); thence S 72°11'20" W a distance of 1642.29 feet; thence Southwesterly along the arc of a curve to the left a distance of 428.95 feet (Curve Data: Radius = 925.00', Delta = 26°34'11", Chord Bearing = S 58°54'14" W, Chord Length = 425.12'); thence S 45°37'08" W a distance of 239.23 feet; thence Southwesterly along the arc of a curve to the left a distance of 498.03 feet (Curve Data: Radius = 500.00', Delta = 57°04'12", Chord Bearing = S 17°05'02" W, Chord Length = 477.69'); thence S 11°27'04" E a distance of 1660.54 feet; thence S 07°01'44" E a distance of 418.18 feet; thence Southwesterly along the arc of a curve to the right a distance of 300.53 feet (Curve Data: Radius = 820.00', Delta = 20°59'57", Chord Bearing = S 03°28'15" W, Chord Length = 298.85'); thence S 13°58'13" W a distance of 354.42 feet; thence S 39°01'05" W a distance of 76.41 feet; thence Southwesterly along the arc of a curve to the right a distance of 192.86 feet (Curve Data: Radius = 250.00', Delta = 44°12'01", Chord Bearing = S 61°07'06" W, Chord Length = 188.11') to a point on the east line of the above described tract and the end of this easement. It is intended that the sides of this easement be lengthened or shortened to intersect the South R-O-W of Rito Seco Road and the east line of said tract.

The above described easement burdens 9.61 acres, more or less. This description was prepared by P.M. Lorton, Colorado PLS # 26966, on December 17, 1996 and the bearings for this description were based on the Battle Mountain Gold Local Coordinate Grid.



211545 11/20/1997 11:20A B351 P312
5 of 5 R 26.00 D 0.00 ROY D. MARTINEZ, COSTILLA

EXHIBIT C
DESCRIPTION OF FIXTURES AND IMPROVEMENTS

Buildings:

- Laboratory - 40 foot x 80 foot pre-engineered metal building
- Administration Building - 40 foot X 80 foot pre-engineered metal building
- Maintenance Shop and Warehouse - 60 foot X 240 foot pre-engineered metal building with 40 foot X 50 foot open bay addition

Furniture and Fixtures:

- Any office furniture not needed by Seller for its continuing use under the Lease described in the Agreement. The Fixtures and Improvements do not include any mining equipment, processing equipment, laboratory counters or the like, all of which Seller shall have the right to remove at its convenience at any time during its continuing Lease under the Agreement.

