




**MINERALS PROGRAM INSPECTION REPORT**  
**PHONE: (303) 866-3567**

The Division of Reclamation, Mining and Safety has conducted an inspection of the mining operation noted below. This report documents observations concerning compliance with the terms of the permit and applicable rules and regulations of the Mined Land Reclamation Board.

<b>MINE NAME:</b> Revenue Mine	<b>MINE/PROSPECTING ID#:</b> M-2012-032	<b>MINERAL:</b> Lead, silver and gold	<b>COUNTY:</b> Ouray
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Travis H. Marshall	<b>INSP. DATE:</b> June 16, 2017	<b>INSP. TIME:</b> 14:00
<b>OPERATOR:</b> Ouray Silver Mines Inc.	<b>OPERATOR REPRESENTATIVE:</b> Brian Briggs	<b>TYPE OF OPERATION:</b> 112d-1 - Designated Mining Operation	
<b>REASON FOR INSPECTION:</b> Priority	<b>BOND CALCULATION TYPE:</b> None	<b>BOND AMOUNT:</b> \$476,269.41	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> None	<b>JOINT INSP. AGENCY:</b> None	
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> June 28, 2017	

**GENERAL INSPECTION TOPICS**

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. No problems or possible violations were noted during the inspection. The mine operation was found to be in full compliance with Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials and/or for Hard Rock, Metal and Designated Mining Operations. Any person engaged in any mining operation shall notify the office of any failure or imminent failure, as soon as reasonably practicable after such person has knowledge of such condition or of any impoundment, embankment, or slope that poses a reasonable potential for danger to any persons or property or to the environment; or any environmental protection facility designed to contain or control chemicals or waste which are acid or toxic-forming, as identified in the permit.

(AR) RECORDS----- <u>Y</u>	(FN) FINANCIAL WARRANTY----- <u>Y</u>	(RD) ROADS----- <u>NA</u>
(HB) HYDROLOGIC BALANCE----- <u>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>NA</u>	(SF) PROCESSING FACILITIES----- <u>NA</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>Y</u>	(RV) REVEGETATION---- <u>NA</u>
(SM) SIGNS AND MARKERS----- <u>Y</u>	(SP) STORM WATER MGT PLAN---- <u>NA</u>	(CI) COMPLETE INSP---- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>NA</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>NA</u>
(AT) ACID OR TOXIC MATERIALS----- <u>NA</u>	(OD) OFF-SITE DAMAGE----- <u>Y</u>	(ST) STIPULATIONS----- <u>NA</u>

Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

## **OBSERVATIONS**

This inspection was conducted as part of the normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety (Division). The Revenue Mine is a 112d(1) active underground mine. The Revenue mine is located approximately 5 miles southwest of Ouray Colorado off of Ouray County Road 26. Crystal Fletcher, Doug Levesque and Brian Briggs were present during the inspection. Travis Marshall was representing the Division during the inspection.

The mine identification sign was observed at the entrance to the mine site and permit boundary markers in the form of tall white PVC posts were observed around the perimeter of the permitted area. Both the sign and the permit boundary markers were in compliance with Rule 3.1.12.

The main focus of the inspection was to observe the condition of the newly constructed passive, bio-reactive water treatment infiltration system during high flow. The Division received notification from the operator on June 15, 2017 that the mine discharge had reached approximately 1,100 gallons per minute. Division staff was also notified that a piping system to manage the high volume of water was installed and some of the water was overflowing into the emergency spillway and entering the treatment system. Additional peat moss was observed in the basin above the treatment system.

During the inspection it appeared that all the mine discharge water was entering the treatment system and no erosional issues or direct discharges to Sneffles Creek were observed. Water seeping from the toe of the slope of the discharge system was observed. The operator was notified during the inspection that a sample of the mine discharge water entering and exiting the passive treatment was required to determine the effectiveness of the treatment system. The operator collected samples and is currently waiting for the results from the laboratory.

The flows observed during the inspection are the largest observed since the systems construction. The operator submitted a list of potential recommendations for improvement of the treatment system on June 23, 2017. The operator proposes to create holes above the membrane to create better infiltration into the treatment system during high flow. Also they propose to amend the topsoil in the pond to minimize the surface sealing effect created by the current topsoil configuration. Thirdly they propose to create a better seal between the pond and the stream channel in the form of a grout curtain or a slurry trench. These proposed modifications will require a technical revision to be submitted to allow the Division to properly assess the proposed changes. Engineered design drawings should be submitted along with the revision once final configurations have been decided upon by the operator.

All components of the mine that were inspected were in good working order and free of any unnecessary debris.

No erosion or sedimentation issues were noted.

No issues, problems or possible violations were observed during the inspection.

Responses to this inspection report should be directed to Travis Marshall at the Division of Reclamation Mining and Safety Grand Junction Field Office, 101 South 3rd Street, Suite 301, Grand Junction, Colorado 81501 phone no. (970) 241-2042.



**PHOTOGRAPHS**









**Inspection Contact Address**

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