

COLORADO Division of Reclamation, Mining and Safety Department of Natural Resources

1313 Sherman Street, Room 215 Denver, CO 80203

Brian Briggs Ouray Silver Mines Inc. P. O. Box 564 Ouray, CO 81427

Re: Revenue Mine, Permit M-2012-032, Replacement of Well GW-3A with GW-3R

Mr. Briggs,

The Division of Reclamation, Mining and Safety (DRMS) has reviewed the Ouray Silver Mines Inc. (operator) request to replace the damaged well GW-3A with a new well GW-3R that is proposed to be completed in a more effective location that is 20 feet east of sediment pond #2. The new location will allow the operator to more effectively monitor the water that infiltrates through the existing passive treatment system.

Due to the operator simply replacing a damaged well and replacing it with well located in a location that will provide better monitoring data the DRMS approves this request without requiring a technical revision. The existing damaged well plugging and abandonment cost is already accounted for in the currently held reclamation bond therefore plugging and abandonment must be completed prior to the installation of the replacement monitoring well. The operator must provide the DRMS with a well abandonment report for GW-3A along with a well completion report for GW-3R. If well GW-3A is not properly plugged and abandoned prior to the construction of well GW-3R the operator will be required to submit a technical revision to account for the increased reclamation liability.

If you need additional information, please contact me at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 S. 3rd St., Suite 301, Grand Junction, Colorado 81501, telephone no. 970.241.2042.

Sincerely,

Travis Marshall Environmental Protection Specialist

ec: Russ Means, DRMS

