

Ouray Silver Mines, Inc.  
1900 Main St. Unit 1  
PO Box 564  
Ouray, CO 81427



October 20, 2021

Mr. Lucas West  
Environmental Protection Specialist  
Colorado Division of Reclamation Mining and Safety  
101 3<sup>rd</sup> Street  
Grand Junction, CO 81501

**RECEIVED**

**OCT 20 2021**

**DIVISION OF RECLAMATION  
MINING AND SAFETY**

**Subject: Documentation of Corrective Action for Loss of Containment  
DRMS Permit No. M-2012-032  
Revenue Mine, Ouray County, Colorado**

Dear Mr. West,

Ouray Silver Mines, Inc. (OSMI) is providing this letter to the Division of Reclamation, Mining and Safety (DRMS) to document that corrective actions specified by DRMS in its letters dated October 7 and October 11, 2021 to address losses of containment that occurred from the filter feed tank at the old reagent room on October 6 and 8, 2021.

In response to DRMS's request, OSMI ceased operation in the mill until corrective actions could be implemented.

Corrective Actions taken were:

- Stop tank from over topping and contain the spilled materials. This action was taken immediately after discovery of the two incidents to prevent further loss of containment. Verbal notification was provided to DRMS on October 6 and 8, which was followed by written notification on October 7 and 9, 2021. DRMS acknowledged OSMI's notifications in letters dated October 7 and 11, 2021.
- Cleanup area where tailings and process water left containment. The tailings that left containment on October 6 were scrapped up and placed in the temporary tailings storage area. Samples were collected and we are currently awaiting results. The surface rock/soils that were impacted by process water that left containment on October 8 was scraped up and placed in the temporary storage areas. Samples of the tailings, impacted rock/soil and process water were collected and sent off for analysis. We are still awaiting results of these analyses.
- Repair faulty pump. The faulty pump was repaired and additional controls for emergency shut off were installed.
- Repair pump and pump out sump. The sump in the old reagent room was pumped out and a sump pump was repaired to maintain the sump in working order.

- Install automation controls on filter feed tank to prevent overtopping of tank. Automation controls were installed the week of October 11, 2021 while the mill was shut down. The automation controls on the filter feed tank included: locking pumps to tank levels with automatic turn offs. Once the tank is full the pumps are programmed to shut the pumps off. Tank levels and pumps can now be monitored from the control room of the mill.
- Repair broken concrete curb. A temporary repair to the concrete curb was made on October 13, 2021, which involved placing sandbags in the broken area to complete containment. A permanent concrete curb was poured on October 19, 2021 to permanently repair the broken curb (see attached photos showing repaired curb).
- Inspection of other containment structures in the mill. The mill was shut down for maintenance during the week of October 12, 2021. During shut down all mill secondary containment was inspected for damage.

Photos and other documentation are attached to this letter. DRMS inspected the spill area and the containment area as well as viewed the control room for the mill during its inspection on October 19, 2021 to confirm corrective actions had been made. OSMI will continue to monitor the effectiveness of the corrective action to address the root cause and to prevent recurrence.

We appreciate DRMS's help in addressing these issues. Please let us know if you require additional information or if you have any questions, please contact me at (970) 325-9830.

Sincerely,



Poppy Staub  
VP Environment and Government Affairs  
Ouray Silver Mines Inc

Cc: Amy Yeldell, DRMS  
Brian Briggs, OSMI  
Todd Jesse, OSMI

Enc. photos



Photos of concrete curb repairs made on October 19, 2021. Curb is now fully repaired.

