




## 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> San Juan Silver Project		<b>MINE/PROSPECTING ID#:</b> P-2008-037		<b>MINERAL:</b> Silver and gold	<b>COUNTY:</b> Mineral
<b>INSPECTION TYPE:</b> Monitoring		<b>WEATHER:</b> Clear		<b>INSP. DATE:</b> August 9, 2023	<b>INSP. TIME:</b> 12:00
<b>OPERATOR:</b> Rio Grande Silver, Inc.		<b>OPERATOR REPRESENTATIVE:</b> Randy McClure		<b>TYPE OF OPERATION:</b> MP - Mineral Prospecting	
<b>REASON FOR INSPECTION:</b> Normal I&E Program		<b>BOND CALCULATION TYPE:</b> None		<b>BOND AMOUNT:</b> \$5,826.00	
<b>DATE OF COMPLAINT:</b> NA		<b>POST INSP. CONTACTS:</b> None		<b>JOINT INSP. AGENCY:</b> None	
<b>INSPECTOR(S):</b> Todd Jesse		<b>INSPECTOR'S SIGNATURE:</b> 		<b>SIGNATURE DATE:</b> August 31, 2023	

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

Y = Inspected / 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's Active Mines Program. The San Juan Silver Project is listed as an active Notice of Intent to Conduct Prospecting Operations (NOI) located approximately 1 mile north of Creede, CO in Mineral County at an elevation of approximately 11,000 feet. This site consists of 2.1 acres to support exploratory drilling. Randy McClure, a representative of Rio Grande Silver, Inc. accompanied the inspection. The Division holds a \$5,826.00 Financial Warranty for the site. A reclamation cost estimate was not performed as a result of this inspection.

The NOI consists of 6 pads to support the drilling operation. Of those 6 pads, the only BD-6 has not been reclaimed. BD-1 through BD-4 and their associated road have been reclaimed. Vegetation is well established in the reclaimed area boulders have been placed to prevent disturbance from the public. No state listed invasive species were identified in the reclaimed area. Pad BD-5 was never constructed. Pad BD-6 was being used last year for water storage and transfer station, but is not currently in use. The pad is leveled and cleared of vegetation. The cut slope on the western edge of the pad was stable and no evidence of settling, slumping or erosion was observed. The pad exhibits positive drainage and no impounded water was observed on the pad. The operator would like to keep the NOI open for further projects and does not intend to reclaim the pad at this time.

Photos that show the conditions observed during the inspection are included at the end of this report.

No problems or violations were noted or observed during the August 9, 2023 inspection.

All responses to this report should be directed to Todd Jesse with the Division's Active Mines Program at DRMS, Room 215, 1001 E 62<sup>nd</sup> Ave. Denver, CO 80216. Direct contact can be made at the Division's Grand Junction Field Office, by phone at 720-688-0626 or by email at [todd.jesse@state.co.us](mailto:todd.jesse@state.co.us).

## PHOTOGRAPHS



View to the east of reclaimed road going to pads BD-1 through BD-4



View to the east of undeveloped BD-5 pad.



View to the north of BD-6 pad.



View to the north of empty water tanks on pad BD-6

**Inspection Contact Address**

Randy McClure  
Rio Grande Silver, Inc.  
112 E. 12th Street  
Creede, CO 81130

CC: Travis Marshall, DRMS