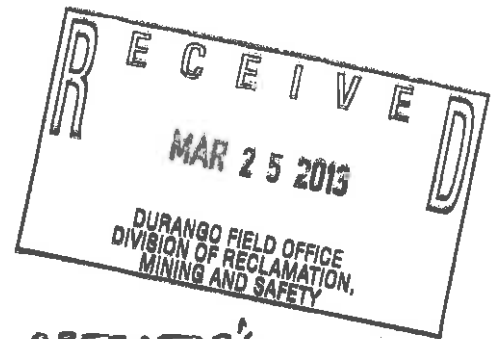


Department of Reclamation Mining and Safety  
Bob Oswald,

San Luis Valley Public Lands Center  
Nic Sandoval

Conejos Peak Ranger District  
Andrea Jones



OPERATOR'S  
ADEQUACY RESPONSES

Re: Boulder Gold Project, NOI, File P-2013-004  
Serial ID: POO-2013-045339-0209-BOULDER-GOLD

San Juan Minerals LLC (SJM) is amending the plan of operations, to address the questions or concerns the DRMS, and National Forest Service has concerning the Boulder Gold Placer Project. SJM has contacted a civil engineer for the plan of operations concerning sediment control, a water management plan, a road stabilization plan, and a river crossing plan, for expertise in acceptable procedures for this application. An onsite visit will be required for an accurate site evaluation to be performed. Due to the amount of snow fall present in the area, it is expected that this could take 30 to 60 days to accomplish. As soon as the site is accessible, SJM will be visiting the site with the civil engineer to perform the necessary evaluations, as well as staking the river crossing location, path to the mine site from Forest Service Rd. 250, the pit location, stockpile locations, and mine site boundaries. At the time the site is considered accessible, SJM will contact all personnel addressed in this letter in advance to extend an invitation to be present to conduct your individual analysis as we will be present at the site. Reclamation cost of the river crossing will be determined after the site evaluations have been completed.

There will be NO discharge of waste water into the Alamosa River. Groundwater exposed during excavation will be used for the processing equipment and returned to the pit. As the vegetation is removed and stockpiled, a slope around the pit, deposit stockpile location and waste rock pile location (the screened material greater than ½") will be graded to drain all water and sediment created or exposed towards the pit. This is not expected to increase disturbance or change reclamation cost as removing the vegetation layer has already been calculated. The nozzle on the water pump will be kept near the surface of the water in the pit at the opposite end of discharge to allow sediment to settle within the pit and water to be reused during operation. The deposit material ejected from the vibratory screener consisting of ½" or larger waste material will be returned to the pit upon completion of processing all deposit material stockpiled. This will allow an adequate amount of exposed groundwater to be continually reused during the processing of deposit material without the need for discharge into the Alamosa River. All water exposed and used will be returned to its place or origin with the exception of water lost due to evaporation, which is considered to be minimal. The vegetation stockpile will have a silt fence constructed with 2 foot wooden stakes and retention fabric around it to control sediment runoff in the event that it rains. SJM does not believe that this will

make any significant changes to reclamation cost. A sketch of the general design layout of the mine site, and processing equipment is attached.

The vehicles used to transport all equipment, and supplies, including the travel trailer, to mine site will be Dodge 3500 diesel pickups. The pickups are expected to cross the river several times during transportation, but not during the operation of exploration. The excavator used will have a working weight of approximately 10,000 pounds. This is a smaller excavator that will allow the Dodge 3500 pickup to transport it safely. The skid steer to be used is an ASV HD 4520 with a working weight of approximately 8,000 pounds. The small excavator and skid steer will be trailer transported using the Dodge 3500 pickups and unloaded at the mine site entrance. The excavation equipment will cross the river to get to the mine site, and back. The processing equipment as described in the plan of operations will hauled to the mine site on a trailer using the pickup and crossing the river twice as well.

During transportation of equipment a pilot vehicle will be used. Warning signs will be posted at distances required above and below the work area. The temporary gate at the mine entrance will consist of two, 4' metal T-post, with a length of chain approximately 14 feet between them. The gate will be constructed in the proximity of the river bank before the crossing location. This is believed to be an adequate means to deny public access to the river crossing given the short duration of the operation, and has been calculated accordingly in the reclamation plan. The mine site itself is naturally guarded by the Alamosa River with no bridge to cross for miles upstream and down, and is quite difficult to cross on foot. With warning signs posted at distances above and below the mine site on FS 250, and the gate denying access to the river crossing, other users of the Forest should not be in danger of the mining activities, therefore the security fence as mentioned in the plan of operations will not be constructed around the pit as we intend to complete this operation in a timely manner.

The plan of operations proposed for the Boulder Gold Placer Project will be performed by the two members of San Juan Minerals LLC, Steve Graham, and Jack Bridges, with the possibility of one laborer. SJM believes the plan could be completed in a 2 week time frame including reclamation. The plan, upon approval of all governing agencies, will most likely be performed in late July or August 2013 after water levels have receded. SJM will contact all authorities involved 2 weeks in advance prior to the start of exploration activities proposed.

The plan for occupancy on Federal Land is as follows. A 19 foot travel trailer will be parked near the mine site in a favorable location to avoid excessive river crossings for its use. The travel trailer will be parked for the entire duration of the operation which is not expected to take more than 14 days, and will have little impact on the environment. This will allow SJM to be present at the site at all times to operate and guard the mine site. The travel trailer will be removed before final reclamation of the site and its access. In the event that the travel trailer is needed for more than the 14 day period, the Conejos Peak Ranger District will be contacted for approval.

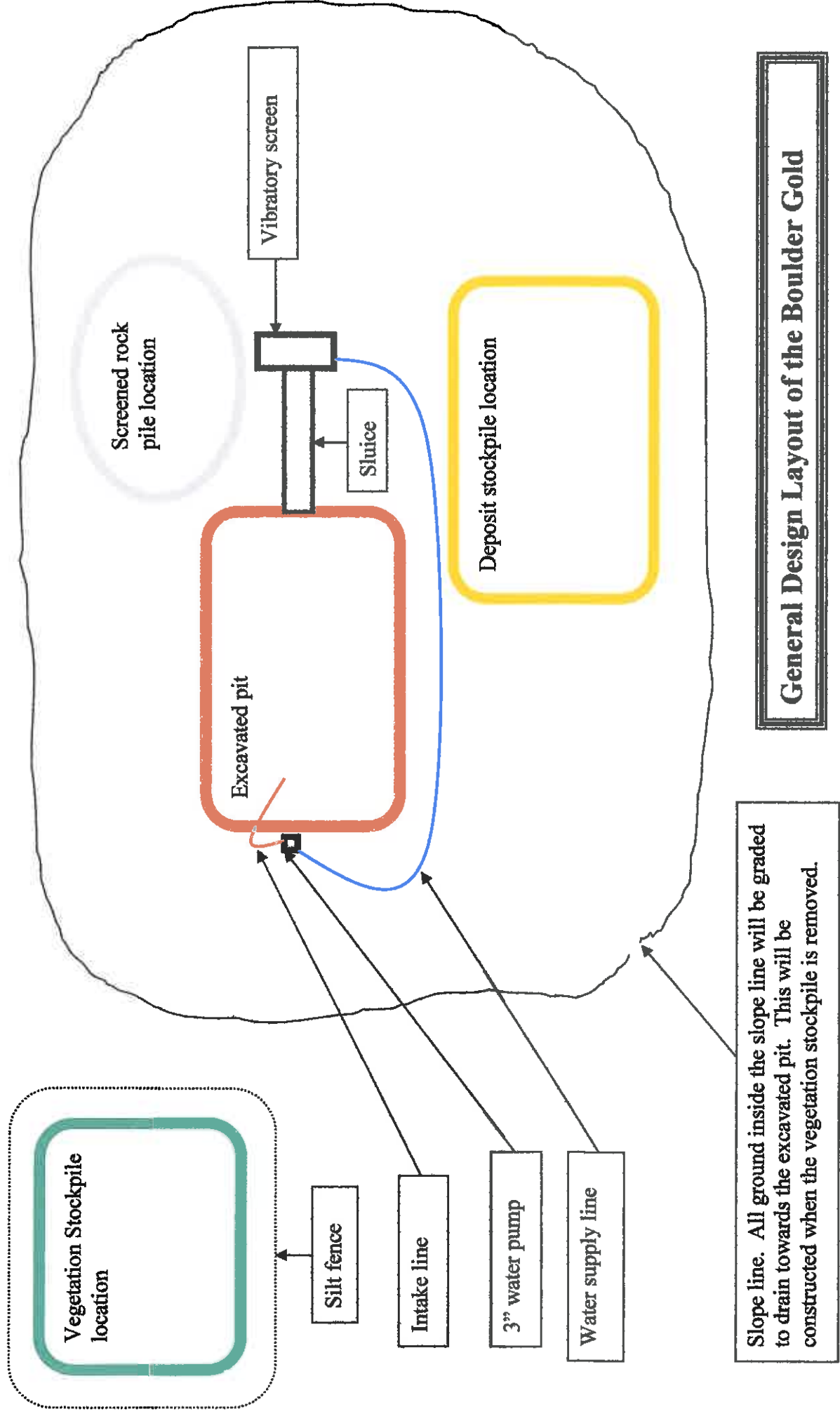
The Boulder Gold Placer claim does border Federal administered land that is not open to mining. The twenty acre Boulder Gold claim was staked according to rectangular survey on Federal land that is open to mining and does not overlap land that is closed to mining according to the Department of the Interiors Master Title Plat Map, and the County GIS Map. SJM believes that the overlay of the land closed to mining depicted on the map provided by the Rio Grande Forest Service is inaccurate. The Boulder Gold Placer has gone through the proper adjudication process performed by the Department of the Interior with no boundary infringements noted. The boundary corners of the claim are marked on the Master Title Plat and County GIS map attachments.

Pat McDermott, Staff Engineer, at the Colorado Division of Water Resources has been contacted, and has been provided with all the necessary documentation concerning the exploration activities for the Boulder Gold Placer Mine. He notified SJM that he has received the documents and is reviewing them, and will present the information to the board of commissioners.

Feel free to contact Jack Bridges (970) 946-2933 for further questions.




San Juan Minerals LLC  
57 Willow Ct.  
Pagosa Springs, CO 81147







# Rio Grande County Parcel Map

-  Building Footprints
-  Parcels
-  Streams & Rivets
-  Railroads



0 145 290 580 Feet

0 37.5 75 150 Meters

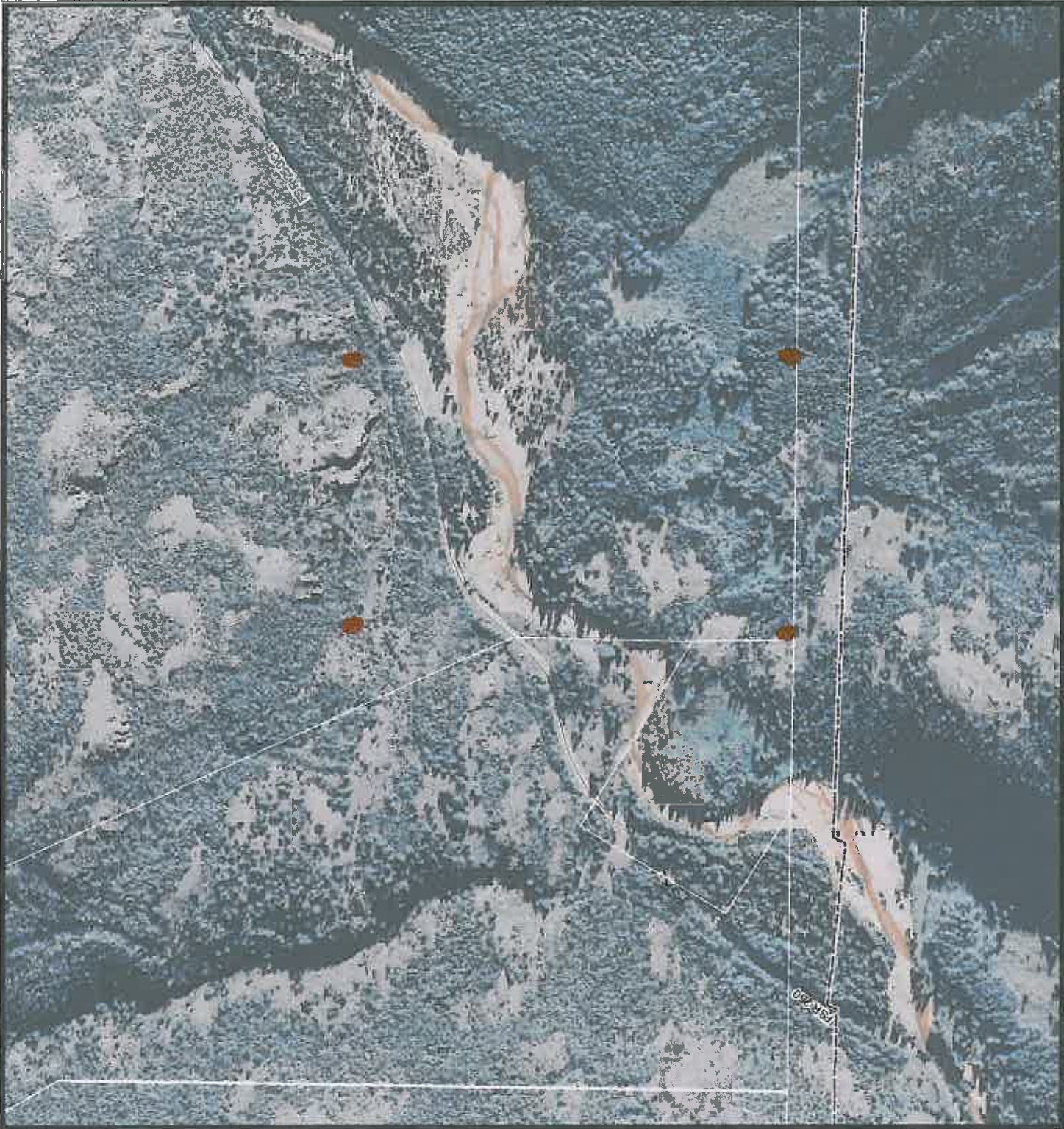
1 inch = 417 feet

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For further information, please contact the Pueblo County GIS Center:

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● Red dots represent Boulder Gold corner monuments as staked on the ground