STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY Department of Natural Resources

1313 Sherman St., Room 215 Denver, Colorado 80203 Phone: (303) 866-3567 FAX: (303) 832-8106

May 1, 2013



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Piñeda Director

Mr. Randy McClure Rio Grande Silver, Inc. PO Box 610 Creede, CO 81130

Re: San Juan Silver Project NOI, File P-2008-037, Application for Modification MD-1, Received

Dear Mr. McClure,

On April 24, 2013 the Division of Reclamation, Mining and Safety received the application for modification (no. MD-1) for the NOI named above. Besides the issue of no submittal for potential adjustment of the financial warranty, the NOI materials were found complete on April 26, 2013, and the date for the Division's decision has been set for May 27, 2013. It is mutually understood that the Division will estimate the bond amount after all technical issues have been addressed. All non-confidential materials will be posted on our website.

I will be contacting you soon in regard to any technical deficiencies that may be identified and/or estimated changes in the financial warranty amount during our review.

If you have questions, I may be reached at the Division's Durango Field Office: 691 CR 233, Room A-2, Durango, CO 81301; telephone 970-247-5193.

Sincerely,

Bob Oswald Environmental Protection Specialist

(c:\13-05 docs\San Juan Silver NOI MD-1 recpt/rco)