




COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY
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.

MINE NAME: Bulldog Project	MINE/PROSPECTING ID#: P-2010-014	MINERAL: Silver, zinc, lead and	COUNTY: Mineral
INSPECTION TYPE: Mineral Prospect Inspection	INSPECTOR(S): Bob Oswald	INSP. DATE: July 11, 2013	INSP. TIME: 14:00
OPERATOR: Rio Grande Silver, Inc.	OPERATOR REPRESENTATIVE: Randy McClure, Cassidy Harraden	TYPE OF OPERATION: MP - Mineral Prospecting	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$14,727.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: U.S.Forest Service	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: July 25, 2013

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

Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

This was a partial inspection performed by the Division as part of its monitoring of a mineral prospecting project. The operators named on page one were present throughout the inspection.

There was drilling activity at the time of the inspection at drill pad BD-7. A tracked drill was set up and core drilling was ongoing. Drill water was being supplied by portable water tanks that were set up on drill site BD-6, and piped up to holding tanks on the BD-7 pad. Drill additives in bags and sealed buckets were arranged on pallets, and hydrocarbons were stored in barrels and tanks with adequate secondary containment. Drill mud sumps (3 cells) that were excavated into the pad and lined with heavy plastic membrane, were also utilized. All fluids and materials were well contained.

The disturbed area was marked, and all disturbance was within the markers. The pad had been cut into the hill slope, with attention given to salvaging the topsoil, berms to contain stormwater on the pad, and sediment controls at the toe of the fill slope to control sediment. There was no debris or uncontained contaminants on the site. All observed activity was in conformance with the approved plan.

There was no disturbance yet on the approved drill pads that are located north of the BD-7 pad (other than light blading of the proposed access trail). The bond amount is still considered to be adequate. No problems were noted at this time.

For questions related to this report, please contact this inspector at the Division's Durango Field Office:
DRMS - Durango Field Office
691 CR 233, Room A-2
Durango, CO 81301
Telephone 970-247-5193

Inspection Contact Address

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PO Box 610
Creede, CO 81130

EC: Ronnie Day, US Forest Service, District Office, Monte Vista

See inspection photographs on following page.

PHOTOGRAPHS

