

February 27, 2014

SSM

Stephanie Mitchell, Department of Natural Resources Division of Reclamation, Mining and Safety 101 South 3rd, Suite 301 Grand Junction, CO 81501

Notice of Intent P-2011-019

Dear Ms Mitchell,

I apologize for the confusion regarding the release of our reclamation bond at Maybell, Moffat County, Colorado.

Attached is a Reclamation Report dated June 29, 2012, describing reclamation activities for our completed diamond drilling program. Due to completion of reclamation we request release from reclamation responsibility for this program.

If there is any further information that we can supply please contact me on (435) 820-3533 or at johnh@oregon-energy.com.

Yours faithfully,

John Hasleby Vice President

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REPORT ON RECLAMATION

MAYBELL PROJECT, MAYBELL, MOFFAT COUNTY, COLORADO

Notice of Intent P-2011-019

Exploration Activities

Oregon Energy LLC commenced drilling operations on the Maybell project in August 2011 and during the year completed 8 diamond drill holes, resulting in 8 drilling pads.

Drill pads and access

Existing access was used for all holes. There was no need for prepared access or drill pads and no new roads were established. It was not necessary to clear any pads with mechanical or other means – vegetation was left in situ to preserve root structures.

The drilling rig used portable tanks to circulate drilling fluids – no drilling sumps or mud pits were constructed.

All trash was removed from the site.

Stormwater and Erosion Controls

Access to drill holes was directly from the County Road. No creek crossings were used. There was no need for construction of structures such as waterbars. Pads have been and will be in future monitored periodically to determine if erosional problems develop at reclaimed drill pads. In summer 2012 reclaimed pads and sites were determined to be stable.

Hole abandonment

When drilled all holes were cased with 4" PVC casing and capped, to preserve the holes for later electronic logging. During abandonment, the casing was pulled from each hole and recycled. In holes where casing was jammed it was cut off below ground level and capped.

No holes produced natural water flow of water at the surface.

All abandoned holes were filled with Holeplug size-graded bentonite, from the bottom of the hole to two feet below the reclaimed land surface. The remainder of the hole was filled with native materials and capped with soil. Hole abandonment was completed by October 14, 2011, except for MBS008 which was retained as a cased survey calibration well for the down-hole radiometric probe. Hole MBS008 was subsequently abandoned on May 24, 2012.

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Drill Site Reclamation/Winter-break Preparation

Reclamation work was completed by Jake Haskins, of X Field Services LLC of Craig, in co-ordination with Jennifer Maiolo of the BLM Little Snake Field Office, Craig.

Wheel ruts were filled by shovel, compacted soil was broken and raked to thin and disperse soil, exposing existing vegetation in preparation for seeding on October 5, 2011. Final reclamation and seeding of drill sites was completed on sites on October 12, 2011, except for site MBS008, which was seeded and temporarily retained as a cased survey calibration well for the down-hole radiometric probe. Site MBS008 was subsequently fully reclaimed on May 24, 2012.

BLM recommended certified seed mix, 18 PLS pounds (gross 29 pounds) of seed mix, total sufficient for 1 acre, was broadcast on each site and raked in by hand, creating a natural surface free of tire tracks.

| Drill Hole Number | Location | | | | | Hole | Hole | Hole | | Coordinates (WGS84) | |
|-------------------------|-------------|------|------|-------|------------|--------|---------------|-------|------------|---------------------|-----------|
| | 1/4 Sec. | Sec. | Twp. | Range | Drill Type | Medium | Depth (ft) | Diam. | Start date | East (m) | North (m) |
| MBS001 | SE | 9 | 6N | 94W | Diamond | Mud | 170.2 | PQ | 16-Aug-11 | 249778 | 4485192 |
| MBS002 | SE | 9 | 6N | 94W | Diamond | Mud | 152 | PQ | 18-Aug-11 | 249975 | 4485176 |
| MBS003 | NW | 9 | 6N | 94W | Diamond | Mud | 173.5 | PQ | 21-Aug-11 | 249790 | 4486144 |
| MBS004 | NW | 9 | 6N | 94W | Diamond | Mud | 226.5 | PQ | 23-Aug-11 | 249751 | 4486144 |
| MBS005 | NW | 9 | 6N | 94W | Diamond | Mud | 162.5 | PQ | 24-Aug-11 | 249685 | 4486250 |
| MBS007 | NW | 9 | 6N | 94W | Diamond | Muđ | 401.6 | PQ | 26-Aug-11 | 249732 | 4486576 |
| MBS008 | NW | 9 | 6N | 94W | Diamond | Mud | 416.1 | PQ | 28-Aug-11 | 249554 | 4486168 |
| MBS009 | NW | 9 | 6N | 94W | Diamond | Mud | 276.3 | PQ | 07-Sep-11 | 249829 | 4485801 |

Areas reclaimed and seeded in 2011 were checked in May 2012 to determine if re-seeding was required.

This Reclamation Report is filed in accordance with Rule 5.7 of the *Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for Hard Rock, Metal, and Designated Mining Operations* and is a true and accurate account of the activities of Oregon Energy LLC.

John Hasleby, Vice President, Oregon Energy LLC, 1001 SW 5th Avenue, Suite 1100, Portland OR 97204 (435) 820-3533

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Figure 1: Drill hole locations plotted on aerial image, with claim boundaries, Juniper Hot Springs Road (CR 53) [for scale - claims are 1500' by 600']



Figure 2: MBS002, showing reclaimed site with spring regrowth (May 24, 2012)





Figure 3: MBS004, showing reclaimed site with spring regrowth (May 24, 2012)



Figure 4: MBS008, site reclaimed May 2012 (May 24, 2012)



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Division of Reclamation, Mining & Safety

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