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

March 3, 2014

Travis R. Crawford Silver Mountain Preserve, Inc. 11850 CR 520 La Veta, CO 81055



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Pineda Director

Willis Pit, Permit M-1992-003, Notice of Inadequate Annual Fee and/or Report

PLEASE READ CAREFULLY – ACTION REQUIRED Please attach your COMPLETED written Annual Report and Annual Report Map to this form

On February 7, 2014, the Division of Reclamation, Mining and Safety received your Annual Fee/Annual Report Packet ("Packet") for Permit M-1992-003, Willis Pit. However according to Division records, the Packet is inadequate.

Annual Fee: Adequate

Annual Report: Inadequate

If the annual fee is *inadequate* please send the remaining balance. If they have *not been received*, please remit \$\$323.00.

If the annual report is *inadequate* or has *not been received*, please **submit the written report and an adequately labeled map** as required by Colorado Mined Land Reclamation Act and/or Colorado Land Reclamation Act for the Extraction of Construction Materials (C.R.S. 34-32-116 or 34-32.5-116). Enclosed is an annual report form. The Annual Report and Fee requirement is not met until we have received the following components: <u>fee, report, and associated map</u>.

The Division must receive the <u>complete</u> Packet no later than 5 p.m. on April 2, 2014 (if this date falls on a weekend or state recognized holiday your Packet will be due on the next regular business day), or a Notice of Violation, Cease and Desist Order from <u>ALL</u> mining related activities, Civil Penalties equal to the amount of the annual fee(s) due, and a Notice of Formal Public Hearing before the Mined Land Reclamation Board for consideration of <u>POSSIBLE PERMIT REVOCATION AND FINANCIAL WARRANTY</u> <u>FORFEITURE</u> will be issued for this account.

If you have additional comments and/or information that should be provided to the Division, please provide it below or attach it to this form along with your written report and map. If you have any questions, please feel free to contact ST.MineralTeam. Thank you for your cooperation in this matter.

IF THE COMPLETE ANNUAL FEE SUBMITTALS ARE NOT RECEIVED ON OR BEFORE THE DATE LISTED ABOVE, THE ENFORCEMENT PROCESS WILL BE AUTOMATICALLY INIATIED. ENFORCMENT ACTIONS MAY RESULT IN CIVIL PENALTIES AND/OR REVOCATION OF YOUR PERMIT.

110c Annual Report

Permittee Name:	Silver Mountain Preserve, Inc.	Permit Number:	M-1992-003
Operation Name:	Willis Pit	County:	Huerfano
Annual Fee Due:	\$323.00	Anniversary Date:	February 7, 2014
Permit Acreage:	8.60	Current Bond Amt:	\$14,900.00

According to C.R.S. 34-32.5-116 or 34-32-116, each year, on the anniversary date of the permit, an operator shall submit the Annual Fee, an Annual Report and map showing the extent of current disturbances to affected land, required monitoring information, reclamation accomplished to date and during the preceding year, any new disturbance that is anticipated to occur during the upcoming year, any reclamation that will be performed during the upcoming year, the dates for the beginning of active operations, and the date active operations ceased for the year.

Information contained in this report will be reviewed by the Division upon receipt and prior to the next compliance inspection of the site. If, while completing this report, you learn that your site is not in compliance with the rules and the act, it is advisable that the issues be rectified promptly to avoid possible enforcement action.

1.	1. Is the site identification sign posted in accordance with Rule 3.1.12(1).					
2.	2. Is the affected area boundary clearly marked in accordance with Rule 3.1.12(2).					
3.	3. Is the mine site in final reclamation (all material extraction and stockpile removal is complete)? If "YES," please note time limits related to completion of reclamation, Rule 3.1.3.					
4.	4. What was the date of last excavation, processing or hauling activity at the mine?					
5.	Does the mine operate more than 180 days per year If "NO", please review Rule 1.13 to assure that your mine is in compliance.	YES	NO			
6.	Has this mine been granted:a) approval of TEMPORARY CESSATION Status?b) approval for INTERMITTENT OPERATION?	YES YES	NO NO			
7.	7. Number of acres currently affected (mining + incomplete and or unreleased reclamation).					
8.	3. Number of acres that were newly affected during the current report year.					
9.	D. Number of acres that were reclaimed during the current report year.					
10.	10. Estimated new acreage to be affected in the next report year.					

11. Estimated acres to be reclaimed in the next report year.

12. Total acres in various stages of reclamation, since permitted mining activities began:

Total acres	Total acre	s	Total acres		Total a	cres	
backfilled:	seeded w/		w/topsoil		mulche	ed w/	
	approved	mix:	replaced:		approv	ed mulch:	
Total acres	Total acre	s	Topsoil		Mulch	application	
graded:	fertilized v	w/	replacement		rate (to	ons):	
_	apvd fertil	izer:	depth (in.):				
Seed		Fertilizer		Mulch	1		
application		application		applic	ation		
method:		method:		metho	od:		

13. Is weed control being conducted in accordance with an approved Weed Control Plan?	YES	NO	N/A
If "YES", indicate the weed species, control area, control type, application rate and treatmen	t date oi	n the rep	ort map.
14. Is adequate topsoil reserved for reclamation, based on your approved permit? If "NO", please explain:	YES	NO	N/A
15. Is the reserved topsoil vegetated/stabilized in accordance with Rule 3.1.9(1)? If "NO" please explain:	YES	NO	N/A
16. If mining has exposed groundwater, is the site in compliance with the approved mining plan	and Off	ice of th	e State
Engineer (Well Permit, S.W.S.P., and/or Permanent Augmentation Plan)?	YES	NO	N/A
17. Are all hazardous materials stored within approved spill containment structures?	YES	NO	N/A
18. Is your financial warranty value sufficient to cover the cost to complete reclamation?	YES	NO	N/A
19. Is your basis for legal right to enter still valid?	YES	NO	
20. Does your permit require you to submit monitoring information annually? If "Yes", please attach the required monitoring results to this Annual Report.	YES	NO	N/A

21. As required by Colorado Mined Land Reclamation Act and/or Colorado Land Reclamation Act for the Extraction of Construction Materials (C.R.S. 34-32-116 or 34-32.5-116), attach a map to this report that accurately depicts the permit boundary, current affected area boundary and location of the acreages specified in items 7- 12 and 14. UPDATED MAP ATTACHED: _____

Division records indicate the following permittee contact information. If this information is not current, please type or print **current** contact information:

Permittee Contact:	Travis R. Crawford	
Permittee Company:	Silver Mountain Preserve, Inc.	
Address:	11850 CR 520 La Veta, CO 81055	
Phone Number:	(719) 742-3971	
Fax Number:	(719) 868-2416	
Email Address:	CF.PR.email	

I, the undersigned, hereby state that the information provided in this report is true and accurate, and that site operations are being conducted in accordance with the Division approved mining and reclamation plans.

Signature of Permittee, Corporate Officer, Owner, or Documented Designee