

HOCKER CONSTRUCTION, LLP
4167 C.R. 321
P.O. Box 627
Ignacio, CO 81137

HAND-DELIVERED ON MAY 19, 2014 TO:

Kate A. Pickford
Environmental Protection Specialist
Colorado Division of Reclamation
Mining and Safety – Dept. of Natural Resources
691 County Road 233, Suite A-2
Durango, CO 81301

RECEIVED
MAY 19 2014
Durango Field Office
Division of Reclamation,
Mining and Safety

Re: Zellitti Pit, Permit No. M-1980-246, Financial Warranty Increase, Revision No. SI-1

Dear Ms. Pickford:

I write to follow-up on our meeting on May 2, 2014 at the pit and our telephone discussion this past week. I also want to make certain that Hocker Construction, LLP (Operator of the above-referenced pit) has provided you an appropriate and sufficient response to your April 15, 2014 letter to Anthony Zellitti and notice of problem/possible violation and need for corrective action.

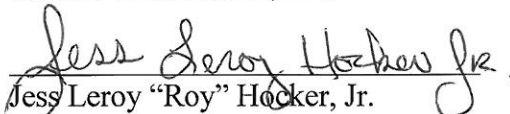
As we discussed, mining has not be completed and the Zellitti pit is still active. Hocker Construction, LLP has been attempting to sell the current stockpiled aggregate before conducting additional crushing and screening operations and will soon construct a road along the north edge of the pit in an effort to provide the Zellittis' better access to their agricultural properties located east and south of the current pit. Construction of the new roadway has been approved by the Zellittis and its construction will facilitate mining under a portion of the current roadway located in the pit and assist in reclamation of the pit's north "high-wall".

Let me know if you have any additional questions with respect to our on-going operations. As we discussed, we will let you know when the new roadway is constructed.

It is my understanding that the Financial Warranty issue will be re-visited after you have had the opportunity to review the new roadway and do some additional calculations. If that is not your understanding, please let me know.

Sincerely.

Hocker Construction, LLP


Jess Leroy "Roy" Hocker, Jr.
General Partner

cc: Anthony Zellitti