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

August 1, 2014

John S. Hamrick Cotter Corporation 7800 E. Dorado Place Suite 210 Englewood, CO 80111



John W. Hickenlooper Governor

Mike King Executive Director

Virginia Brannon Director

Schwartzwalder Mine, Permit M-1977-300, Annual Fee Invoice and Report Request

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

Under the terms of your NOI or Reclamation Permit and Colorado Statutes, you must submit Annual Fees and Annual Reports (including a map). You must pay the Annual Fee and submit an Annual Report each year until reclamation responsibility release is granted. The Annual Fee is not a renewal fee. The Fee and Report are for LAST YEAR'S mining and reclamation season, and MUST be paid even if your operation was inactive.

The Annual Report and Fee requirement will be considered submitted when we have received the following components:

- 1. APPROPRIATE ANNUAL FEE
- 2. COMPLETED ANNUAL REPORT
- 3. ASSOCIATED MAP as required by rule

If you have requested reclamation responsibility release from the Division of Reclamation, Mining and Safety (the "Division") but your permit is not released by the anniversary date listed below, the Annual Fee MUST be paid. If the permit is released before the anniversary date, then by Statute, it is not necessary to pay an Annual Fee or submit an Annual Report for that year.

Division records indicate the \$1,150.00 fee is due for the following:

Permit: M-1977-300

Operation Name: Schwartzwalder Mine Anniversary Date: September 28, 2014

Total Fee Due: \$1,150.00 (Due on or before your Anniversary Date)

Return the enclosed <u>Annual Report FORM</u>, a <u>MAP</u>, and a <u>CHECK</u> or <u>MONEY ORDER</u> made payable to: Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. If your records indicate these documents and fees have already been submitted, please notify the Division.

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. Annual Report instructions are enclosed. If you have any questions, please feel free to contact Michelle Ramirez (303) 866-3567 ext 8114. Thank you for your cooperation in this matter.

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

112d-2 Annual Report

Permittee Name:	Cotter Corporation	Permit Number:	M-1977-300
Operation Name:	Schwartzwalder Mine	County:	Jefferson
Annual Fee Due:	\$1,150.00	Anniversary Date:	September 28, 2014
Permit Acreage:	61.16	Current Bond Amt:	\$4,339,003.39

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.	Is the site identi	ification sig	gn posted	in accorda	ance w	ith Rule 3.1.12(1)					YES	NO
2.	Is the affected area boundary clearly marked in accordance with Rule 3.1.12(2).							YES	NO			
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.						ete)?	YES	NO			
4. What was the date of last excavation, processing or hauling activity at the mine?												
5.	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.	a) approval of TEMPORARY CESSATION Status? b) approval for INTERMITTENT OPERATION?							YES YES	NO NO			
7.	Number of acre	s currently	affected	(mining +	incom	plete and or unrel	eased	d reclama	tion).			
8.	Number of acre	s that were	newly af	fected dur	ing the	e current report ye	ar.					
9.	Number of acre	s that were	reclaime	d during t	he curr	ent report year.						
10.	. Estimated new	acreage to l	be affecte	d in the ne	ext rep	ort year.						
11.	. Estimated acres	to be recla	imed in t	he next re	port ye	ear.						
12	Total acres in s	various stan	res of rec	lamation (since n	ermitted mining a	ctivi	ties begar	٠.			
Γ	Total acres		Total acr		since p	Total acres			otal ac	res		
	backfilled:		seeded w			w/topsoil			nulched			
			approved			replaced:				d mulch:		
	Total acres			Topsoil		Mulch appli						
	graded:		fertilized	w/		replacement			ate (ton			
			apvd fert	ilizer:		depth (in.):			`	•		
	Seed	•		Fertilizer	r			Mulch				
	application			applicati	on			applicati	ion			
1	mothod:			mathade				mathad				

	. Is weed control being conducted in accordance with an approved Weed Control Plan? If "YES", indicate the weed species, control area, control type, application rate and treatments of the control of th				
14. Is adequate topsoil If "NO", please exp	YES	NO	N/A		
15. Is the reserved tops If "NO" please exp	YES	NO	N/A		
16. If mining has expore Engineer (Well Per	olan and Offi YES	ice of tl NO	he State N/A		
17. Are all hazardous r	YES	NO	N/A		
18. Is your financial wa	YES	NO	N/A		
19. Is your basis for leg	YES	NO			
20. Does your permit r If "Yes", please att	YES	NO	N/A		
permit boundary, c UPDATED MAP A Division records indica print <u>current</u> contact in	te the following permittee contact in formation:	cation of the acreages specified in	items 7- 12	2 and 14	1.
Permittee Contact:	John S. Hamrick				
Permittee Company:	Cotter Corporation				
Address:	7800 E. Dorado Place Suite 210				
	Englewood, CO 80111				
Phone Number: (720) 554-6200					
Fax Number: (720) 554-6201					
Email Address:	CF.PR.email				
	by state that the information provide ordance with the Division approved		te, and that	site ope	erations are
Signature of <u>Permitte</u>	e, Corporate Officer, Owner, or De	ocumented Designee	Date		_