

Department of Natural Resources

1313 Sherman St. Room 215 Denver, CO 80203

October 1, 2015

Fred Frei Flag Resources Inc 1412 CR 311 New Castle, CO 81641

Silt Pit, Permit M-1981-202-SG, 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 Reclamation Permit and Colorado Statutes, you must submit an Annual Fee and Annual Report (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 ("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 \$791.00 fee is due for the following:

Permit: M-1981-202-SG

Operation Name: Silt Pit

Anniversary Date: November 27, 2015

Total Fee Due: \$791.00 (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 Scottie Tate ((303) 866-3567 ext 8166) or 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 INITIATED. ENFORCEMENT ACTIONS MAY RESULT IN CIVIL PENALTIES AND/OR REVOCATION OF YOUR PERMIT.

112c Annual Report

	Permit Number:	M-1981-202-SG
	Permittee Name:	Flag Resources Inc
	Operation Name:	Silt Pit
	County:	Garfield
	Anniversary Date:	November 27, 2015
	Current Bond Amt:	\$55,400.00
	Annual Fee Due:	\$791.00
	Permit Acreage:	170.70
(DRMS Office Use Only)	DRMS Specialist	ACY

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 identification sign posted in accordance with Rule 3.1.12(1)?	YES	NO		
2.	2. Is the affected area boundary clearly marked in accordance with Rule 3.1.12(2)?				
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.	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.				
6.	Has this mine been granted: a) approval of TEMPORARY CESSATION Status? b) approval for INTERMITTENT OPERATION?	YES YES	NO NO		
7.	Number of acres currently affected (mining + incomplete and or unreleased reclamation):				
8.	Number of acres that were newly affected during the current report year:				
9.	Number of acres that were reclaimed during the current report year:				
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 acr			Total acres Total a					
	backfilled:		seeded w			w/topsoil		mulch			
			approved			replaced:			ed mulch		
	Total acres		Total acr			Topsoil			application		
	graded:		fertilized			replacement		rate (to	ons/ac):		
			apvd fert	ilizer:		depth (in.):					
	Seed			Fertilize	er		Mul	ch			
	application			applicat	ion		appl	ication			
	method:			method	:		metl	nod:			
13.	Is weed control l	being cond	lucted in a	ccordanc	e with ar	n approved Weed C	Control P	lan?	YES	NO	N/A
		•				rol type, application			ent date or	the re	ort map.
	,		1 ,		,	31 / 11				•	. 1
14.	Is adequate tops	oil reserve	d for recla	mation, b	ased on	your approved per	mit?		YES	NO	N/A
	If "NO", please			,,,		J · · · · · · · · · · · · · · · · · · ·					
	, r	Ι									
15.	Is the reserved to	onsoil veg	etated/stab	ilized in a	accordan	ice with Rule 3.1.9	(1)?		YES	NO	N/A
	If "NO" please e		otatoa, stas	inzed in t		100 Willi Italo 3:11.7	(1).		125	110	1 1/1 1
	ii ivo pieuse e	mprani.									
16	If mining has ex	nosed gro	undwater	is the sit	e in con	npliance with the a	nnroved	mining 1	olan and (Office o	of the State
	•					ugmentation Plan)			YES	NO	N/A
	Engineer (Wen i	Cilint, D.	,, and	u/ 01 1 C111.	ianoni 11	agmentation i fair)	•		1 Lb	110	14/11
17	Are all hazardou	ıs material	s stored wi	ithin annr	oved sni	ill containment stru	ictures?		YES	NO	N/A
. / .	The an nazardou	is material	s stored w	шт аррі	oved spi	in contaminent stre	ictures.		1 Lb	110	14/11
1 Q	Is your financial	warranty	valua cuffi	cient to c	over the	cost to complete r	aclamati	on?	YES	NO	N/A
10.	is your illiancial	warranty	varue surri	cient to c	over the	cost to complete i	cciaman	OII:	LES	NO	1 \ /A
10	Is your basis for	logal righ	t to ontor o	till volid?	,				YES	NO	
19.	18 your basis for	iegai iigii	i to enter s	uii vaiiu:					1123	NO	
20	D	:4:	4		::_4	Ca ati a a	9		MEC	NO	NT/A
20.						formation annually			YES	NO	N/A
	n i es, piease	anach the	required n	iomiorinį	gresuits	to this Annual Rep	ort.				
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21.						ct and/or Colorado					
						16), attach a map t			•	•	•
	boundary, currer	nt affected	area boun	dary and	iocation	of the acreages spe	ecified ii	i items /-	12 and 14	4. UPI	JATED
	14.5	ED									
	MAP ATTACH	ED:									

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

Permittee Contact:	Fred Frei		
Permittee Company:	Flag Resources Inc		
Address:	1412 CR 311		
	New Castle, CO 81641		
Phone Number:	(970) 876-2397		
Fax Number:	(970) 876-5232		
Email Address:	Flagsandandgravel@gmail.com		
	by state that the information provided ordance with the Division approved n	I in this report is true and accurate, and that site operation ining and reclamation plans.	ons are
Signature of Permittee	e, Corporate Officer, Owner, or Do	cumented Designee Date	