



**COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY**  
1313 Sherman Street, Room 215, Denver, Colorado 80203, (303) 866-3567

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**COAL EXPLORATION DRILL HOLE OR WELL ABANDONMENT REPORT**

This report is filed in accordance with Rule 4.07.3(3) of the Regulations of the Colorado Mined Land Reclamation Board for Coal Mining, adopted in accordance with the Colorado Surface Coal Mining Act, C.R.S. 34-33-101 *et seq.* This report is to be submitted within 60 days of sealing and plugging of all drill holes approved under the specific drilling program. This report can be used for single or multiple holes and can be modified as needed, provided that the information contained in Rule 4.07.3(3) is supplied. Additional sheets may be attached, if necessary.

Notice of Intent No.: X-2008-230-01 Date: 8-29-2017

Project Name: Deserado Mine Exploration

Prospector: Blue Mountain Energy, Inc.

Address: 3607 County Road 65  
Rangely, Colorado 81648

County: Rio Blanco

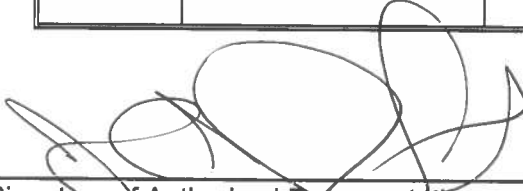
Name of Drilling Contractor: Sharpe Drilling Company

License of Drill and Rig: Well Lic. #1316 - Midway 15M

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Hole No.	Township	Range	Section	Quarter Section	Elevation	Hole Depth (Feet)	Hole Diameter (Inches)	Type of Cement/ Sealant
W1 (B) 310119-8	3	101	19	SE	5710	665	8 5/8 to 20' 5 5/8 to 665'	8-bag Portland Type II flowable fill
W2 (C) 310120-13	3	101	20	NW	5714	665	8 5/8 to 20' 5 5/8 to 665'	8-bag Portland Type II flowable fill

Hole No.	Amount and Volume of Cement or Sealant	Intervals where Water was Encountered	Method of Drilling (Core, Auger, Water, Foam, etc.)
W1 (B) 310119-8	~1.75 yd3	120' ~1gpm 390' ~5gpm	Air rotary with water and foam
W2 (C) 310120-13	~1.75 yd3	70' ~1/2gpm	Air rotary with water and foam

  
 Signature of Authorized Representative  
 Jeff Dubbert - Director of Technical Services  
 Title

August 29, 2017  
 Date