

1313 Sherman St. Room 215 Denver, CO 80203

September 10, 2018

Mark A. Steen AGC Resources, LLC P.O. Box 1523 Longmont, CO 80502

Re: AGC Front Range Gold Project (NOI No. P-2010-018)

REASON TO BELIEVE A VIOLATION EXISTS AND NOTICE OF BOARD HEARING

Dear Mr. Steen:

C.R.S. 34-32-116(4), Rule 5.6, and your Notice of Intent require you to submit to the Division of Reclamation, Mining and Safety (Division) an annual fee, map and report, due on or before August 23 of each year. The annual fee required for your permit is \$86.00. As of the date of this letter, the Division has not received your submittal.

Therefore, the Division has reason to believe this is a violation of C.R.S. 34-32-116(4) et seq., Rule 5.6, and your Notice of Intent, and has scheduled this matter to appear before the Mined Land Reclamation Board (Board), pursuant to C.R.S. 34-32-124.

A Formal Public Hearing will be held during the October 24-25, 2018 Board meeting for consideration of this possible violation. The hearing will be held in Room 318 of 1313 Sherman Street, Denver, Colorado, beginning at 9:00 a.m. on October 24th or as soon thereafter as the matter can be considered. You will have the opportunity to present your defense.

If you submit all past due annual fees, reports, and maps by October 19, 2018, this matter will be withdrawn from Board consideration and the scheduled hearing will be vacated.

This is an important legal proceeding and you must appear in person for this hearing. If you fail to appear an order and money judgment may be entered against you. In addition, failure to appear at the hearing may result in legal consequences including, but not limited to, loss of party status and your ability to seek reconsideration from the Board or seek judicial appeal in district court.

If the Board finds a violation at this hearing, it may revoke the Notice of Intent, issue a Cease and Desist Order and/or assess a Civil Penalty in the amount of \$100.00 to \$1,000.00 for each day of violation pursuant to C.R.S. 34-32-124(7). If you have evidence indicating that the possible violation noted above does not exist or has been corrected, please provide it to the Division as soon as possible or bring it to the hearing.



If the matter is brought before the Board, following the hearing, all parties have an opportunity to review and comment on a draft of the Board's Order before it becomes final. If you wish to do so, you must provide the Board with a written request to review the draft Order prior to or at the time of your hearing, or you must inform the Board orally during the hearing that you request to review the draft Order. You must include your mailing address and, if possible, an email address. You will be provided a copy of the draft Order for your review as soon as it is available. The Board must receive your comments on the draft Order within ten (10) calendar days of the date the draft Order is mailed, unless that deadline is extended. Please note, the Division has requested and will be allowed to review and comment on the draft Board Order prior to mailing to any party. Please submit all comments in writing to: Charles Kooyman, Colorado Department of Law, Business and Licensing Section, 1300 Broadway, 8th Floor Denver, CO, 80203, (720) 508-6440 (phone) (720) 508-6037 (facsimile), or Charles.kooyman@coag.gov. The Board will resolve any issues regarding the form of the Order. This process does not affect your right to request reconsideration by the Board or appeal the substance of the Order.

Please contact Camille M. Mojar of the Division at (303) 866-3567 ext. 8136 on the Monday prior to the Board Hearing to confirm exactly which day your item will appear before the Board. If you have any questions about this letter or the hearing, please contact Amy Eschberger at (303) 866-3567 ext. 8129 or Amy.eschberger@state.co.us.

Sincerel

Russ Means

Minerals Program Director

Signing on behalf of: Virginia Brannon Division Director

CERTIFIED MAIL NO. 7014 0150 0000 9138 7413 Return Receipt Requested

cc: Michael A. Cunningham, DRMS Amy Eschberger, DRMS

Jeff Fugate, AGO

To submit your past due annual report, map, and/or fee online now, click on the link below: https://dnrforms.state.co.us/Forms/DRMSeForms LandingPage

If you have not yet set up your ePermitting account, click on the link below to get started: http://mining.state.co.us/Pages/ePermitting.aspx