

April 20, 2021

Joshua Bleak
Highbury Resources Inc.
107080 South 1300 East
Suite 120
Sandy, UT 84094



1313 Sherman Street, Room 215
Denver, CO 80203

RE: SM-18 Mine, Permit # M-1978-116, Incomplete Application for Transfer of Mineral Permit and Succession of Operators, Revision (SO-01)

Mr. Bleak:

On December 2, 2020 the Division of Reclamation, Mining and Safety (Division) notified you that your application for Transfer of Mineral Permit and Succession of Operators (SO-01) was incomplete. To date, the Division has not received the following information needed for the application to be deemed complete:

1. Structure Agreements - Operators must provide the Division copies of agreements to compensate the owners of any significant, valuable, and permanent man-made structures and utilities within 200 feet of the affected land.

Please provide a Structure Agreement for the San Miguel Power Association (SMPA) utilities located on site and within 200 feet of the affected area pursuant to Rule 6.4.19(c).

On February 3, 2020 Cotter notified the Division that the site was in final reclamation and that Highbury Resources Inc. would acquire the permit through the SO process. Pursuant to C.R.S. 34-32-116 (7)(q) all reclamation of the site shall be complete by February , 3, 2025. Over a year has passed since Cotter notified the Division final reclamation would commence and has yet to begin reclamation of the site. Furthermore, Highbury has failed to satisfy requirements of the SO application.

Please submit the above listed item within sixty days. If Highbury cannot provide the SMPA Structure Agreement by June 19, 2021 the SO-01 application may be denied.

If you require additional information, or have questions or concerns, please contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Dustin Czapla'.

Dustin Czapla

Environmental Protection Specialist
Division of Reclamation, Mining and Safety
Phone: (303) 866-3567, ext. 8188



Cc:

Ken Mushinski
Cotter Corporation
7800 E. Dorado Place
Suite 210
Greenwood Village, CO 80111