



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Little Snake Field Office
455 Emerson Street
Craig, Colorado 81625-1129
<http://www.co.blm.gov/lspa/index.htm>



In Reply Refer To:
1990 (CON010)
COC73893

RECEIVED

MAR 31 2010

GRAND JUNCTION FIELD OFFICE
DIVISION OF
RECLAMATION MINING & SAFETY

March 26, 2010

CERTIFIED MAIL - Return Receipt Requested - 7009 2250 0002 2382 2189

William D Collins & Judith L. Hamilton
Jubilee Venture LLC
20802 Pleasant Park Road
Conifer, CO 80433

Dear Mr. Collins & Ms. Hamilton,

The modification to your existing notice to conduct prospecting operations for hardrock/metal mines in Sec. 9, Township 9 North, Range 92 West, (Sec. 9, T 9 N, R 92 W.) for the mining claims CMC277048, CMC277049, and CMC277050 was received by the Little Snake Field Office of the United States Department of the Interior, Bureau of Land Management on March 24, 2010.

The modification to your notice to drill 55 holes is approved. Your financial guarantee was for 80 holes; you drilled 25 of these holes in 2009. Therefore, your existing financial guarantee is adequate for the reclamation of the 55 holes to be drilled in 2010.

Operations must be conducted between July 1 and December 1 to protect wildlife during sensitive time periods. Backfilling of the drill holes must be completed before December 1, 2010. Attached is a copy of the original Decision of Financial Guarantee, including Notice Guidelines, for reference.

If you have any questions, please contact Jennifer Maiolo on (970)-826-5077

Sincerely,

David E. Blackstun
Acting Field Manager

Enclosure

cc: Russ Means
Colorado Division of Reclamation Mining and Safety
101 South 3rd St. Suite 301
Grand Junction, CO 81501-2416



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In Reply Refer To:
3809 (CON010)
COC73893

July 21, 2009

CERTIFIED MAIL - Return Receipt Requested –

William D Collins & Judith L. Hamilton	:	
Jubilee Venture LLC	:	43 CFR 3809 – Surface
20802 Pleasant Park Road	:	Management Notice
Conifer, CO 80433	:	

DECISION

DETERMINATION OF FINANCIAL GUARANTEE AMOUNT

The Bureau of Land Management (BLM) received a notice for the Jubilee Venture Project on May 26, 2009. The BLM sent you a letter on May 29, 2009 stating that an additional 15 days were required to review the notice. On June 29, 2009, the BLM received a modified notice for the Jubilee Venture project. After a meeting to discuss the modified notice, you submitted another modified notice on July 9, 2009. The BLM received a bond estimate from the Colorado Division of Reclamation, Mining, and Safety (DRMS) on July 13, 2009. Your notice is considered to be complete.

Your Notice has been assigned BLM case file number COC73893. Please refer to this number in all future correspondence. Proposed activities will be located in T. 9 N., R. 92 W., section 9. Jubilee Venture plans, per the Notice, are to drill 40 exploration holes, excavate a 20 ft. by 20 ft. pond and set a processing plant in a 150 ft. by 150 ft. area. The BLM has estimated total disturbance to be 2.5 acres.

BLM specialists have reviewed your Notice. Notice Guidelines (see enclosed) are provided for the purpose of preventing undue or unnecessary degradation. A copy should be present in the field during any construction, drilling, or reclamation activities. In addition, the following comments have been made:

- The proposed activities are located within an area of overall sage grouse range. Proposed Notice activities are permitted from July 1 through December 1 only.

- Approval is given for the proposed 40 drill holes as shown on the map included in the Notice. If other locations are proposed at a later date for drilling or exploration, the Notice must be modified and field checked by BLM prior to drilling.
- Only existing roads will be used; no new access will be constructed. No blading, dozing or other improvements are permitted on the existing road without permission from the BLM.
- If subsurface cultural or paleontological resources are unearthed during operations, activity in the vicinity of the cultural/paleontological resource will cease and a BLM representative notified immediately. Pursuant to 43 CFR 10.4, the holder of this authorization must notify the authorized officer by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Furthermore, the operator must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the Authorized Officer.
- The operator is responsible for informing all persons associated with this project that they will be subject to prosecution for knowingly disturbing Native American Indian shrines, historic and prehistoric archaeology sites, or for collecting artifacts of any kind, including historic items and/or arrowheads and pottery fragments from Federal lands.
- Drill holes that encounter water will be plugged with bentonite from the bottom to the surface, or ten feet of bentonite in the bottom of the hole and polyfoam to the surface. The proper abandonment of drill holes will be achieved when:
 1. All aquifers are adequately cemented or otherwise isolated to prevent the migration of liquids or gases;
 2. The surface hole is properly plugged to prevent injury to the public, livestock, and wildlife; and
 3. The surface is properly cleaned up and reclaimed according to the approved reclamation plan.
- Be advised that wildland fires can occur at any time, but especially during the summer fire season. As the operator of a minerals related project, it is your responsibility to take every reasonable precaution against initiating accidental fires. As the operator, you may be held liable for the costs associated with fighting a fire your operations have caused. Also, it is the policy of the BLM to allow some natural caused fires to burn as part of our "Fire Management" policy. If a wildfire presents a safety issue with your operation, you may be asked or even ordered to evacuate the area. Please be prepared to comply with all fire management instructions when required to do so.

Financial Guarantee

The BLM has reviewed the reclamation estimate developed by the Colorado Division of Reclamation, Mining, and Safety (DRMS). It is determined the bond estimate for \$14, 650 is

adequate to reclaim the Jubilee Project as described. A financial guarantee in the amount of \$14,650 must be filed and accepted by:

CDRMS
1313 Sherman Street, Room 215
Denver, CO 80203-2243

The types of financial instruments that are acceptable to the BLM are found at 43 CFR 3809.555. You must receive written notification from DRMS accepting and obligating your financial guarantee before you may begin any surface disturbing operations. Please notify the BLM a minimum of 48 hours prior to conducting operations on the ground.

This decision does not constitute certification of ownership to any entity named in the Notice, recognition of the validity of any associated mining claims, or recognition of the economic feasibility of the proposed operations.

Term of Notice - Your Notice will remain in effect for two years from the date of this decision, unless you notify this office beforehand that operations have ceased and reclamation is complete. If you wish to conduct operations for another two years after the expiration date of your Notice, you must notify this office in writing on or before the expiration date as required by 43 CFR 3809.333.

Appeal of the Decision Determining the Required Financial Guarantee Amount – If you do not agree and are adversely affected by this decision, you may request that the Colorado BLM State Director review this decision. If you request a State Director Review, the request must be received in the Colorado BLM State Office at:

2850 Youngfield Street
Lakewood, CO 80215-7210

no later than 30 calendar days after you receive or have been notified of this decision. The request for State Director Review must be filed in accordance with the provisions in 43 CFR 3809.805. This decision will remain in effect while the State Director Review is pending, unless a Stay is granted by the State Director. If you request a Stay, you have the burden of proof to demonstrate that a Stay should be granted.

If the State Director does not make a decision on your request for review of this decision within 21 days of receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You may contact the Colorado BLM State Office to determine when BLM received the request for State Director Review. You have 30 days from the end of the 21 day period in which to file your Notice of Appeal with this office at:

Little Snake Field Office
Attn: Jennifer Maiolo
455 Emerson Street
Craig, CO 81625-1129

If you wish to file a petition pursuant to regulations 43 CFR 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the IBLA, the petition for a stay must accompany your Notice of Appeal. Copies of the Notice of Appeal and petition for a stay must also be submitted to each party named in the decision and to the Office of the Solicitor at:

Department of the Solicitor
Rocky Mountain Region
755 Parfet Street, Suite 151
Lakewood, CO 80215

at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted base on the standards listed below.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

1. The relative harm to the parties if the stay is granted or denied;
2. The likelihood of the appellant's success on the merits;
3. The likelihood of immediate and irreparable harm if the stay is not granted; and
4. Whether the public interest favors granting the stay.

Contact – If you have any questions, please contact Jennifer Maiolo at 970-826-5077.

Sincerely,



For John E. Husband
Field Manager

Enclosures:

- (1) Notice Guidelines
- (2) Recommended seed mix

cc: Russ Means
CDRMS
101 South 3rd St. Suite 301
Grand Junction, CO 81501-2416

(2) Recommended seed mix

cc: Russ Means
CDRMS
101 South 3rd St. Suite 301
Grand Junction, CO 81501-2416

GUIDELINES FOR NOTICES

Surface Disturbance

1. Any activity that results in excavation or in compaction, powdering, or erosion of the original ground surface is considered disturbance and must be reclaimed. This may include the blading or rutting of existing roads, the development of a rutted surface during cross country travel, and drilling or trenching. You must contact this office if you expect to exceed a total disturbance of five acres; submittal of a Plan of Operations may be necessary.
2. The operator should document their portion of the disturbance in areas where other operators have or will be conducting operations. This should be done by submitting to BLM a map showing the existing disturbance and the proposed new disturbance and indicating the time periods (if known) during which past disturbance occurred. Reclamation of disturbance done under this notice is the responsibility of the claimant and includes liability for reclamation not satisfactorily completed by the operator.
3. Projects should avoid unnecessary impacts by planning reclamation activities to occur within a reasonable time after exploration is completed. Sites should be reclaimed as soon as possible to minimize impacts to other resources. Open pits should be maintained in a manner to avoid injury to the public, livestock, and wildlife.
4. Access roads, pads, and other sites should be designed, constructed, maintained, and/or used in a manner that is safe, controls drainage and erosion, minimizes impacts to resources, and facilitates successful reclamation. Locations and design should consider slopes, soil types, drainage etc. Overland travel should be proposed where conditions will not result in surface disturbance; e.g. dry or frozen soil conditions, low level of traffic, and flat terrain. Surface materials should be adequate to accommodate proposed activities and seasons of use. Activities should not result in ruts of 4 inches or more, or encroach or intercept drainage channels. Road construction should not block drainages. Designs and construction should meet goals and standards as described in the BLM/FS Gold Book (2007).
5. Disturbance to natural drainages including blading or filling should be avoided. Where a

dry wash offers the only feasible access to a site, no blading of the wash should occur. No disturbance should occur within 100 ft. of active drainages, springs, and seeps. Drainage crossings should neither obstruct the channel nor result in increased erosion or sedimentation.

Reclamation

6. A minimum of six inches of surface soils (growth medium) should be stockpiled prior to surface disturbing activities (unless waived by the BLM). Earthwork should blend disturbed areas back into pre-disturbance topography, e.g. reclamation of road cuts into hill sides should involve pulling excavated material back up into the road cuts so as to closely approximate the original hillside. Seed beds should be rough. Growth medium should be spread over the top of the disturbed area. The BLM must be consulted before a fertilizer is used. The operator should stockpile any coarse, woody debris that is cleared to make a new road and then pile it back on the reclaimed road before seeding. All disturbed areas should be seeded to take advantage of periods of relatively high precipitation, e.g. before snows starts to fall, at the end of winter when snow begins to melt, or during the rainy season. The seed mix should be approved by the BLM and certified as being weed-free. If final disturbance occurs between April 1 and July 1, a stabilization mix may be seeded, followed by seeding a permanent mix by October 1. The stabilization mix must include native species or sterile non-native species. Successful revegetation must meet BLM standards.

Cultural and Paleontological Resources

7. The Operator is responsible for complying with all regulations pertaining to cultural resources. Operators shall not knowingly disturb, alter, injure, or destroy any scientifically important paleontological remains or any historical or archaeological site, structure, building, or object on Federal lands. The Operator must inform all persons associated with this project that they will be subject to prosecution of knowingly disturbing Native American Indian shrines, historic and prehistoric archaeology sites, or for collecting artifacts of any kind from Federal lands.
8. If subsurface cultural resources are unearthed during operations, activity in the vicinity of the cultural resource will cease and a BLM representative notified immediately. Pursuant to 43 CFR 10.4, the holder of this notice must notify the authorized office, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, the operator must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the Authorized Officer.

Waste Materials

9. Trash must be hauled to a landfill permitted by the Colorado Department of Public Health and Environment (CDPHE). All operators must comply with applicable Federal and State laws dealing with the storage and disposal of chemicals, petroleum, petroleum products, Resource Conservation Recovery Act (RCRA) Subtitle D solid and RCRA

Subtitle C hazardous waste. Under no circumstances may chemicals, petroleum, petroleum products, or RCRA Subtitle C hazardous wastes be disposed of in solid waste disposal areas within the project area without written approval of the BLM and CDPHE.

10. Fluids or solutions used or encountered in the drilling process may be discharged to the environment only after other practical methods of fluid control (i.e., sumps, tanks, etc.) have been exhausted. If solutions must be discharged to the environment, they must not cause erosion or channeling and must be contaminating- and sediment- free. Any discharges must be approved by this office. The operator must directly inform a BLM representative as soon as possible and no later than the first business day of any unexpected discharges. Contact numbers: 970-826-5000 and 970-826-5077.

Range

11. Prior written approval must be obtained from the BLM before cutting or modifying any fence or other range improvement on public land. This includes laying the fence down and driving over the wires. Contact the BLM Field Office responsible for surface management to obtain the aforementioned written authorization and the minimum construction specifications that must be followed.

Timber

12. Destruction or felling of trees is to be avoided wherever possible. Partial de-limbing is the preferred alternative. Ponderosa pine is protected and should not be disturbed.

Water Resources

13. Drill holes must be plugged as soon as possible. If holes cannot be plugged immediately, they should be temporarily sealed in a manner to prevent injury to the public, wildlife, and livestock, and to prevent the migration of fluids. Proper abandonment of drill holes will be achieved when: 1) all aquifers are adequately cemented or otherwise isolated to prevent the migration of liquids or gasses, 2) the surface hole is properly plugged to prevent injury to the public, livestock, and wildlife, and 3) the surface is properly cleaned up and reclaimed per 3809 regulations. In the event water is encountered within 500 ft. of the surface, a bentonite or cement plug should seal the aquifer and extend 50 ft. above and below the water contact. In the event water is encountered below 500 ft. from the surface, a bentonite or cement plug should seal the aquifer and extend 100 ft. above and below the water contact.
14. Use of water for drilling or mining purposes must conform to Colorado State regulations. Artificial water impoundments used to fill water trucks on public lands must be pre-approved.
15. You should provide information regarding the characteristics of the water-bearing unit including: formation, depth, thickness of the water-bearing zone, and rate of flow. A sample of any groundwater must be analyzed for TDS and pH and results reported to the BLM.

Weeds

16. To help prevent the establishment of noxious weed infestations, all heavy equipment (including motor grader, bulldozers, backhoes, and trenchers) should be pressure washed at an offsite location prior to entering the project area. Pickup trucks and passenger vehicles are not subject to this requirement. If heavy equipment is removed from the project area, it should again be pressure washed at an offsite location prior to re-entering the project area. In areas of heavy weed infestations, equipment shall also be cleaned prior to moving out of the area.
17. Any gravel or fill imported onto BLM lands must come from sources approved by the BLM.
18. The Holder shall be responsible for control of all State listed noxious weed species on all disturbed areas. The Holder shall consult with the Authorized Officer and local authorities for acceptable weed control methods, and shall comply with all applicable Federal and State laws. Pesticides shall be used only in accordance with their registered uses with limitations imposed by the Secretary of the Interior. Prior to the use of pesticides, the Holder shall obtain approval from the Authorized Officer of a Pesticide Use Proposal showing the type and quantity of material to be used, pests to be controlled, method of application, locations of storage and disposal of containers, and any other information deemed necessary by the Authorized Officer.
19. All pesticide applicators must hold a valid Colorado Qualified Supervisor license or certified operator license, and the license must be valid for that applicable pesticide application category. For all areas treated, Pesticide Application Records (BLM Form 3-3-94) must be submitted to the BLM Little Snake Field Office by November 1 of each year. Pesticide Application Records must be completed no later than 14 days following the pesticide application and must be maintained for ten years.

Wildlife

20. Activities must comply with the Threatened and Endangered Species Act. Activities are restricted to the period between July 1 and December 1.
21. Activities must comply with the Migratory Bird Act. Measures should be taken to avoid impacting habitat, nests, young, or birds.
22. If any raptor or breeding bird nests with eggs or young are encountered during construction activities during the breeding season (May 15 – Aug. 1), operations will cease immediately and a BLM biologist will be notified.