Gold Hill Minerals, LLC MINED LAND RECLAMATION BOARD

NOTICE OF INTENT – PROSPECTING OPERATION APPLICATION

DATE: April 16, 2012

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Regulatory Permits Management, Inc

9050 Old Tom Morris Circle Highlands Ranch, CO 80129 PHONE: (303) 854-7499

Date: April 16, 2012

Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

Re: Notice of Intent – Prospecting Operation Application

Applicant: Gold Hill Minerals, LLC.

Dear Sirs:

Enclosed for your review is a Notice of Intent (NOI) Application form and a complete package of additional information related to the proposed Prospecting operation revision. This Prospecting Activity will operate for a short period, gathering samples from various locations to ascertain the economics of proceeding to mine development. The purpose of this application is to conduct exploration operations.

1. The application date is:

April 16, 2012

2. The owner(s) of the property:

Gold Hill Minerals, LLC.

3. Name, address and phone number of the Applicant/Prospector:

Gold Hill Minerals, LLC.

PO Box 191127

Miami Beach, FL 33119-1127

Phone: 305 - 726 - 7752 FAX: 305 - 397 - 8997

4. The authorized representative of the Applicant/Prospector:

Mr. Scott Hazlitt PO Box 191127

Miami Beach, FL 33119-1127

Phone: 970-214-8164 FAX: 305-397-8997

3. Site location:

The site is located approximately $1\frac{1}{4}$ miles northwest of Jamestown, at an elevation of approximately 8,000 feet MSL.

4. Legal description:

SW 1/4 NW 1/4 of S24, T2N, R72W, 6th P.M.

5. Acres affected:

.65

6. Estimated life of the prospecting activity:

11 months, 29 days

7. Site access:

Site access will be off Boulder County Road 94 (Overland Rd.)

Sincerely,

Regulatory Permits Management, Inc.

Consultant for Gold Hill Minerals.

cc: Gold Hill Minerals, LLC.

PO Box 191127

Miami Beach, FL 33119-1127

STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

1313 Sherman St., Room 215 Denver, Colorado 80203 Phone: (303) 866-3567 FAX: (303) 832-8106



FORM 2 (Public File) NOTICE OF INTENT TO CONDUCT PROSPECTING OPERATIONS FOR HARD ROCK/METAL MINES

	GENERAL OPE	Modifications to an existing NOI) RATION INFORMATION provided, ALL information described below.
I. GENERAL INFOR	MATION	
		(office use only)
2. PROJECT NAME: Gold	d Hill Minerals Bueno Min	e and Mill Exploration
8. PROSPECTOR:	Minerals, LLC	PERSON MLRB SHOULD CONTACT:
Name:		Name: Scott Hazlitt
Title: NA	117.24.24.00	Title: Consulting Mining Geologist
Company Name: Gold	Hill Minerals, LLC	Company Name: Gold Hill Minerals, LLC
Street: NA	49.49.49.49.49.49.49.49.49.49.49.49.49.4	Street: NA
P.O. Box: PO Box 19		P.O. Box: PO Box
City.	Beach,	City: Miami Beach,
State: FLorida		State: Florida
Zip Code:33119-11		Zip Code: 33119-1127
Telephone Number: (30		Telephone Number: (970) 214-8164
Fax Number: (305) 397-	8997	Fax Number (305) 397-8897
9. <u>APPLICATION FEE</u> : 9 processed by the Division	•	s require an \$86 fee which must accompany this notice or it cannot be
10. LOCATION INFORMA	ATION:	
County: Boulder		rado) 10 th (New Mexico) (Ute)
PRINCIPAL MERIDAN		rado)10 th (New Mexico) (Ute)
SECTION (write number)	s <u>24</u>	

West RANGE (write number and check direction) East QUARTER SECTION (check one): QUARTER/QUARTER SECTION (check one): GENERAL DESCRIPTION: (the number of miles and direction to the nearest town and the approximate elevation): The proposed exploration activities are 1 1/4 miles NW of Jamestown at an elev. of approx. 8,000 MSL NOTE: Supply longitude and latitude or UTM coordinates if lands have not been surveyed or as supplemental information to this NOI. GPS measurements will be acceptable for this purpose: 40 deg. 7' 18.201" N, 105 deg. 24' 25.689" W 11. LAND OWNERSHIP National Forest (USFS) Private Public Domain (BLM) State Sovereign Lands Other (please describe): If prospecting is located on BLM or USFS land the remaining section must be completed, otherwise go to section II Maps & Drawings 12. PROSPECTING ON BUREAU OF LAND MANAGEMENT (BLM) LAND AND U.S. FOREST SERVICE (USFS) LAND The Division and the BLM/USFS have entered into cooperative agreements that eliminate the need for a prospector to post a financial warranty with each agency and allow them to coordinate the review of the NOI in order to minimize administrative processing time and effort. G. CLAIMANT: Gold Hill Minerals, LLC. Name: Address: PO Box 191127 Miami Beach, FL 33119-1127 Telephone: _305-726-7752 Fax Number: 305-397-8997 H. <u>SITE/CLAIM INFORMATION</u>: List names, serial numbers and provide legal description to nearest quarter-quarter section of all sites or claims (attach additional page, if necessary). SERIAL NUMBER LEGAL DESCRIPTION Please see attached list for serial numbers and maps. All the claims fall within the following legal description: The proposed drill pad locations are clustered around the intersection of the NW 1/4, NE1/4, SE1/4 and the SW1/4 of the NW1/4, Section 24, Township 2 North, Range 72 West of the 6th P.M.

(FORM 2 - Public filing)

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(FORM 2 - Public filing)

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	I.	LOCATION MAP: Attach a USGS 7.5 minute quad, or similar map of adequate scale, which locates the prospecting site(s).
	J.	Are prospect sites (e.g., drill holes, trench locations, etc) staked on the ground? Yes No
	K.	Specify the Land Management Agency, Address and Telephone Number:
		USFS,Mr. Mike Johnson
		2140 Yarmouth Ave.
		Boulder, CO 80301
	L.	The prospector is required to document that the NOI has been sent to the BLM or the USFS. Processing of the NOI will not begin until the prospector has submitted evidence acceptable to the Division that the NOI was sent to the BLM or USFS. Check one: Evidence of notification is attached to this NOI for BLM Land Evidence of notification is attached to this NOI for USFS Land. Other proof of notice is attached to this NOI
II.		MAPS & DRAWINGS
		e topographic base map showing the location of the proposed project must be submitted with this notice. The prospector omit a U.S.G.S. 7.5 minute quadrangle, or similar map of adequate scale that:
3.		ntifies the proposed prospecting site(s) or activity areas involving surface disturbance. Activity areas include all drill holes, d pits, excavations, trenches, adits, shafts, tunnels, rock dumps, stockpiles, impoundments and prospecting roads, and
4.	are tuni date	udes sufficient detail to identify and locate known prospecting features and facilities that may be affected and those that not anticipated to be affected. This includes the location of all drill holes, mud pits, excavations, trenches, adits, shafts, nels, rock dumps, stockpiles, impoundments and prospecting roads. Color photographs, adequately labeled (including e, orientation and location), of the prospecting site may be used to fulfill this requirement if included with the NOI mittal.
TTT		DDOIECT DESCRIPTION
III		PROJECT DESCRIPTION
7.	Mi	neral(s) and/or Resource(s) being Investigated: Gold, silver and other base metals
8.		imated dates of commencement and completion:
	Coı	nmencement: 05/01/2012,
	Coı	mpletion: 10/15/2013
9.	Am	ount of material to be extracted, moved or proposed to be moved:
10.	Ide	ntify the type or method of prospecting proposed and quantity (place an "X")
	-[[Cuts Shafts Tunnels Air Drilling Fluid Drilling Drilling & Blasting

4 (FORM 2 - Public filing)

	proposed surface excavation or other land disturbance, including roads, pits, trenches, waste piles, drill pads
ollar area	as of underground workings, ponds, etc
lease	see attached document Section 3.1.3
,	
-	Disturbance (approximate) Describe the proposed drilling to be conducted, including anticipated number of
	depth, location, etc Submit additional pages if necessary:
A.	Drill Pads: Quantity 11.00 Average Width 40.00 (ft) Average Length 40.00 (ft)
B.	Drill Holes: Quantity 50.00 Depth 1,000.00 (ft) Diameter 5.25 (in)
C.	Mud Pits: Quantity 22.00 Average Width 8.00 (ft) Average Length 15.00 (ft)
	Average Depth 4.00 (ft)
	Described proposed underground work, including reopening of old workings, advancement of adits or shat
	trenches, pits, cuts, rock dumps, or other types of disturbance, describe type, quantity and general dimension
	Workings access will be made through the 350 level portal. An area at the entra
	measuring 100 ft. by 100 ft. will be needed as temporary storage for materials at
	equipment used for workings access. No surface waste rock or dumps are plan
	Please see the attached document, Section 3.1.3.
	Please see the attached document, Section 3.1.3.
f. No	Other Disturbances (please describe):
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No road	Other Disturbances (please describe): new disturbance is planned. All most all surface activity will occur on existing acc
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5 (FORM 2 - Public filing) G. Total project area to be disturbed 0.65 (acres) K. Describe the equipment to be used for the prospecting operations: Please see attached document, Section 3.1.3 L. Describe and locate any structures to be constructed (i.e. stockpiles, ponds, impoundments): Please see attached document Section 3.1.3 M. Describe anticipated relationship to surface water and groundwater (proximity to streams, penetration of ground water aquifers): Please see attached document Section 3.1.6 and 3.1.7 IV. OPERATION AND RECLAMATION MEASURES: 1. The Board suggests that a photographic record of the pre-prospecting and post-prospecting conditions be kept by the prospector. These photos should be taken from the same location and by the same method to clearly show the pre-prospecting condition of the land and the reclamation efforts. Upon completion of reclamation and request for bond or surety release, the Board may consider the photos as evidence of adequate reclamation, and thus, be able to act more quickly on the request for release. 2. Provide a description of the native vegetation of the area to be disturbed, including tree, shrub, and grass communities of the area. Color photographs, sufficient to adequately represent the ecology of the site and adequately labeled (including date, orientation and location), may be used in lieu of a written description. Based on the quality of the photographs, the Division may require additional detail. Please also see the attached aerial photographs. The site is a typical foothills pine forest. Most of the proposed surface exploration will occur on areas previously disturbed by historic and more recent mining activities. These areas are graded mine dumps and existing access roads.

6 (FORM 2 - Public filing)

	vegetation. Specify approximate topsoil redistribution depth:
	Please see the attached document Section 3.1.9 The soils in this area are thin mountain soils. Where a drill pad is constructed off an existing road, the plant growth material, to a depth of six inches, will be pushed uphill from a proposed drill pad site.
	Describe how drill holes will be plugged (refer to Rule 5.4 of the Rules for required abandonment procedures):
	Please see the attached document Section 3.1.5(6)
0.	Describe how portals, adits, shafts, ponds, excavations, or other disturbances will be reclaimed (refer to Rule 3 and Rule 5 f specific reclamation performance standards). You may wish to contact the Division for closure specifications.
	Please see the attached document Section 3.1.5(4). Any closures installed by the Division's Inactive Mined Land Program (DRMS IMP) and removed or altered by Gold Hill Minerals (GHM) exploration activity will be repaired or replaced according to the DRMS IMP standards. GHM will notify the DRMS IMP staff if there will be a need to alter or remove an existing DRMS IMP closure prior to disturbance. We will work with the Division at that time as to an acceptable design and appropriate bonding.
l.	Describe how roads will be reclaimed or returned to their pre-prospecting (or better) condition: All roads are existing roads. Please see the attached document Section 3.1.9(5).

Please see the attached document Section 3.1.10.

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A. Provide plant name and seeding rate

B.

Plant Name	Seeding Rate (PLS/acre)	

Describe the method for seed bed preparation, and application method for grass/forb seeding:
Please see the attached document Section 3.1.10(4).

V. TERMS AND CONDITIONS FOR PROSPECTING OPERATIONS:

- Reclamation measures shall be fulfilled in a timely manner and completed within five (5) years of completion of prospecting activities.
- 4. The prospecting operations described in this Notice will be conducted in such a manner as to minimize surface disturbances. In addition to the measures required in Rule 5, precautions to be taken include:
 - A. Confinement of operations to areas near existing roads or trails, where practicable. Existing roads which are to remain as permanent roads after prospecting activities are completed shall be left in a condition equal to or better than the preprospecting condition;
 - B. Drilling shall be conducted in such a way as to prevent cuttings and fluids from directly entering any dry or flowing stream channel. Drill cuttings must be spread to a depth no greater than one-half (1/2) inch or buried in an approved disposal pit;

(FORM 2 - Public filing)

C. Proper and timely abandonment of drill holes upon completion of drilling;

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- D. Reclamation of affected lands upon completion of operations or phases of an operation;,
- E. Backfilling and revegetating any pits to blend in with the surrounding land surface;
- F. Safeguarding mine entries, trenches and excavations from unauthorized entry at all times;
- G. Disposal of any trash, scrap metal, wood, machinery, and buildings;
- H. Control of noxious weeds within the area affected by the prospector
- The prospecting operations shall be conducted in such a manner as to comply with all applicable local, state and federal laws and regulations including applicable state and federal air and water quality laws and regulations.
- The prospecting operations shall be conducted so as to minimize adverse effects upon wildlife to include covering of open drill holes until properly plugged.
- 5. During the prospecting operations, the operator will perform the necessary stabilization and reclamation work to ensure those areas affected by prospecting activities are erosionally and geotechnically stable.
- All prospecting operations shall be in compliance with the Colorado Mined Land Reclamation Act, as amended (34-32-101 et seq. C.R.S.), and all rules and regulations currently in effect or promulgated pursuant thereto. See 2 CCR 407-1, Mined Land Reclamation Board Hardrock /Metal Mining Rules.

VI. ADDITIONAL TERMS AND CONDITIONS FOR PROSPECTING ON BLM/USFS LANDS

- 4. The prospector will supply a copy of this NOI to the appropriate BLM and/or USFS office.
- 5. The prospector authorizes the MLRB to discuss the information in this Notice of Intent with the BLM and/or USFS.
- If on BLM land, the prospector will complete reclamation to the standards described in 43 CFR 3809.1-3 (d) and implement reasonable measures to prevent unnecessary or undue degradation of lands during operations.

VII. FINANCIAL WARRANTY

A financial warranty must be provided for the cost of reclamation of the disturbance described in this Notice. The prospector can either file a "One Site Prospecting Financial Warranty" or a "Statewide Financial Warranty." The financial warranty must be submitted and approved by the Division prior to entry upon lands for the purpose of prospecting.

An One-Site Prospecting Financial Warranty is usually filed by individuals or companies where prospecting activities are limited to a single area. It must be filed in the amount of \$2,000 per acre for land to be disturbed, or such other amount as determined by the Division, based on the projected costs of reclamation. A Statewide Financial Warranty is usually filed by companies with multiple prospecting sites. It must be filed in an amount equal to the estimated cost of reclamation per acre of affected land for all anticipated sites statewide. (You may increase the Statewide bond at any time in order to cover additional or expanded prospecting activities.)

Signed Bradua.

(FORM 2 - Public filing)

VIII. SIGNATURE REQUIREMENT

Please place you initials on the line provided:

I hereby verify that the foresai

I hereby verify that the foregoing information is true and accurate and commit to the reclamation of the aforementioned prospecting site as required by the Colorado Mined Reclamation Act and the rules as specified in the Hard Rock/Metal Mining Rules and Regulations and this NOI form.

I have enclosed the required permit fee.

I authorize the Division to contact and copy the BLM and/or USFS on any correspondence related to the prospecting operation, if the prospecting operation is located on federal public land.

I have also enclosed the appropriate reclamation surety amount or will post an amount as determined by the office, based on the projected costs of reclamation.

I understand that I am not authorized to create any surface disturbance until the surety amount is posted and approved in writing from the Division of Reclamation, Mining and Safety.

I accept and agree to comply with the foregoing terms and conditions and with all of the provisions of Rules 3 and 5, and C.R.S. 34-32-101.

I herby certify that concurrent with submittal of this NOI to the Division, I have sent notice to the Boards of County Commissioners in the Counties where the proposed activities will occur. This notice also indicated that non-confidential information regarding the proposed activities will be available for review at the Division's website.

This form has been approved by the Mined Land Reclamation Board pursuant to section 34-32-113, C.R.S., of the Mined Land Reclamation Act. Any alteration or modification of this form shall result in voiding any NOI issued on the altered or modified form and subject the operator to cease and desist orders and civil penalties for operating without a NOI pursuant to section 34-32-123, C.R.S.

I, the undersigned, being the NOI holder or the person authorized to sign on behalf of the NOI holder, declare that the information given in this NOI form is true and correct,

SIGNATURES MUST BE IN BLUE INK

STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

1313 Sherman St., Room 215 Denver, Colorado 80203 Phone: (303) 866-3567 FAX: (303) 832-8106



ONE SITE PROSPECTING FINANCIAL WARRANTY CHECK FOR DEPOSIT IN STATE TREASURY

Prospecting Financial Warranty No.						
Notice of Intent No						
This form has been approved by the Mined Land Reclamation Board ("Board") pursuant to section 34-32-117, C.R.S., of the Colorado Land Reclamation Act. Any alteration or modification of this form, without approval by the Board shall result in the financial warranty being invalid and result in the voiding of any permit issued in conjunction with such invalid financial warranty, and subject the Prospector to cease and desist orders and civil penalties for prospecting without a permit pursuant to section 34-32-123, C.R.S., of the Colorado Land Reclamation Act.						
KNOW ALL MEN BY THESE PRESENTS	S, That we (I) , Gold Hill Mir	erals, LLC				
of the County ofMiami - Dade	, in the State ofFlo	rida	as			
Principal(s) are (am) held hereby and firmly Reclamation Board in the sum of Two Th						
payment of which sum, well and truly to be	made, we (I) hereby bind ours	selve(s), and each of our (my)	legal			
representatives, executors, administrators, si	accessors and assigns, jointly	and severally, firmly by these	presents.			
WHEREAS, the Principal has filed Notice premises indicated on the Notices of Intent reference, to wit: SW1/4, NW 1/4 of S 24, T2N, R72V	filed with the Board which are					
NOW, THEREFORE, the conditions of conducting such prospecting operations, Prospecting operations filed or to be filed measures to reclaim all of the lands affer modified by the Colorado Land Reclamat thereto; upon the Board making the find Prospecting Operations filed or to be file reference have been satisfactorily reclaimed such lands, then this obligation shall be exefull force and effect.	faithfully perform the provi with the Board and the require ted throughout the State by ion Act as amended, and t ing that all of the lands des d with the Board which are and approving the Prospector	sions of the Notices of Interments of the plan to implem such prospecting operations he Rules and Regulations acribed in the Notices of Intattached hereto and hereby 's request for a financial warn	ent to Conduct nent reclamation s, approved and dopted pursuant tent to Conduct incorporated by ranty release on			
Office of Mined Land Reclamation	Denver • Grand Junction • Duran	go A	Office of active and Inactive Mines			

PROVIDED, however, the Warrantor shall not be liable under this financial warranty for an amount greater in the aggregate than the sum designated in the first paragraph hereof, unless increased by a later amendment, and shall not be liable as respects any obligation related to prospecting and reclamation operations performed after the effective date of a cancellation of this financial warranty pursuant to the terms of Section 34-32-117(5), as amended. This financial warranty shall remain in force and effect as respects all obligations for all prospecting and reclamation operations performed prior to the effective date of such cancellation unless the Principal files a substitute bond which: 1) assumes liability for all obligations for all prospecting and reclamation operations performed during the effective dates of this financial warranty; and 2) is acceptable to the Board; or unless the Board otherwise releases this financial warranty.

The Warrantor reserves the right to cancel this financial warranty, effective only upon an anniversary date, and only by giving written notice to that effect, mailed by Certified Mail, at least ninety (90) days prior to such anniversary date, addressed to both the Prospector at its address herein stated, and to the Board at the address herein stated. In the event of such cancellation, this financial warranty shall nevertheless remain in full force and effect as respects the reclamation of all areas disturbed prior to the effective date of such cancellation, unless and until the Prospector shall file a substitute financial warranty which: (1) assumes liability for all reclamation obligations which shall have arisen at any time while this financial warranty is in force; and (2) is accepted in writing by the Board.

Signed, sealed, and dated this 13 day of APR	L 2012
DAVID BADNER	
Principal Sadne	Principal
Pris/CEO	Ву
450 ALTON RD	Title
Mailing Address UNIT 2003	Mailing Address
MIAMI BEACH - F. 33139	
APPROVED:	
Ву	
Division Director	Date

M:\min\share\Prospecting Forms\One Site Prosp FW Cash.doc

Section 3.1 Reclamation Performance Standards:

3.1.1 The Post Mining Land Use:

This is a proposed prospecting operation. The post prospecting use will remain forestry and wildlife habitat.

3.1.2 Reclaiming Substituted Land:

No substitute lands are proposed for reclamation.

3.1.3 Time Limit and Phased Reclamation:

(2) All reclamation shall be carried to completion by the Operator with all reasonable diligence, and each phase of reclamation shall be completed within five (5) years from the date the Operator informs the Board of Office that such phase has commenced:

Core hole drill pad reclamation will occur once a drill pad is not needed for further site exploration. We do not intend to make any of the exploration drill holes into ground water monitoring wells. If we need to make a drill hole into a ground water monitoring well, prior to abandonment, we will modify this exploration NOI at that time.

Some exploration may take place underground using the 350 Level Portal. This Portal will be used as part of the proposed active mining operations and may remain unreclaimed for longer than the 11 months and 29 days planned for the exploration operation. The Portal entrance will be secured in a manner to discourage entry by third parties who may trespass during our exploration operations. However, if a mining operation does not go forward, the 350 Level Portal and associated entrance area will be reclaimed prior to the end of the 5 year period allowed for reclamation.

A Gold Hill Minerals' Plan of Operations (POO) has been filed with the U.S. Forest Service (USFS). Proof of Placement of this NOI Application with the U.S. Forest Service and Notice to the Boulder County Commissioners are in Attachments II and III. In addition, a Plan of Development has been filed with Boulder County Planning Department. A Grading Permit will also need to be obtained from Boulder County once the County Plan of Development is approved.

This is proposed as a two phase exploration operation. The first phase will be to conduct surface and subsurface exploration activities on our patented mining claims and underground. During the second phase, activity on the USFS unpatented mining claims will occur once the USFS approves the POO. We will conduct exploration activities on our privately held claims and in underground mine workings once the County and State Applications are approved.

Due to the proposed exploration site activities affecting less than 25 acres, an air quality permit will not be required. The combined area of disturbance for all exploration drill pads and surface area near the 350 Level Portal will be less than .65 acres. Even though an Air Emission Permit is not required, Gold Hill Minerals will take appropriate measures to control fugitive dust. Such measures include occasional road watering as required. The drilling operation will use water to lubricate the drill bit. No fugitive dust should occur from drilling activity.

A Storm Water Management Plan and Permit will not be required due to the small nature of the proposed exploration activity. The combined area of disturbance for all exploration drill pads and surface area near the 350 Level Portal will be less than .65 acres. Any surface disturbing activity affecting one acre or more requires a Storm Water Management Plan and Storm Water Discharge Permit from the Colorado Department of Public Health and Environment, Water Quality Control Division.

As part of our POO submitted to the USFS, we have committed to follow the measures as described in the "U.S. Forest Service Handbook, Rocky Mountain Region (Region 2) Denver, Colorado – FSH 2509.25 Watershed Conservation Practices Handbook, Chapter 10 – Management Measures & Design Criteria" for storm water runoff and erosion control.

Prospecting Plan;

Project Description.

- Exploration methods will include hand sampling, core drilling, pits or tanks to catch drill cuttings, reverse circulation drilling and sampling or other suitable drilling methods. In addition, remapping of the underground workings is planned. Underground drill locations may also be utilized as part of the exploration activities.
- Materials needed for the exploration operations will include water trucked in from off-site, biodegradable drilling polymer mud and bentonite mud, drill bits and drill stem, fuel (no tank storage on-site) plus other incidental supplies.
- The workforce will consist of up to six people, not counting Gold Hill Minerals supervisory personnel.
- Construction will involve grading of the existing roads as necessary for maintenance, preparation of drill pads and mud pits, drilling holes, and site reclamation.
- The Operation's schedule will be 20 days on and 10 days off, 24 hours per day. We will comply with County noise regulations and work with neighbors to limit associated impacts.

- Power will be supplied by self-contained vehicles and small generators.
- Pad construction, mud pits, road grading and water bars will be done with a small dozer and backhoe.
- The proposed drill pad locations will be on and/or immediately adjacent to the access road. Topsoil will be stockpiled adjacent to each drill pad for site reclamation. (The drill pad area within the existing road will not be topsoiled during drill pad reclamation.)
- > There will be no waste rock produced.
- There will be no tailings produced.
- We propose up to 11 drill pad locations and up to 50 drilled holes ranging in depth from 200 to 1,000 feet. Although not shown on the attached maps, the drill pads will measure about 40 feet by 40 feet. Sampling will be done in the underground workings by accessing the 350 Level Portal. An area approximately 100 feet by 100 feet will be needed for stockpiling timbers, drill stem and other underground supplies, as needed. Total affected acres will not exceed .65 acres.
- There will be no suction dredging associated with this operation.
- ➤ Drill cuttings will be collected for analysis. The remaining cuttings will be buried on-site.

Equipment:

Project equipment and vehicles will consist of pickup trucks, cars suitable to access the site, SUV's, a water truck, a truck mounted drill rig, a drill rod/supply/pipe truck, a small dozer, a backhoe, commercial fuel truck for delivery of fuel to the drill rig, and possibly an ATV for site reclamation (seed bed preparation and seeding).

Structures:

- A portable toilet (rented and properly maintained).
- A temporary shelter consisting of tarps, tent and plywood for use by the on-site geologist for field work and as shelter for the drilling crew.

3.1.4 Public Use:

On lands owned by the Operator, the Operator may permit the public to use the same for recreational purposes, except in areas where such use is found by the Operator to be hazardous or objectionable:

The lands are all private or USFS land. The public is not allowed on the Operator's patented mining claims. The unpatented mining claims are under the control of the USFS.

3.1.5 Reclamation Measures – Materials Handling:

(1) Grading shall be carried on so as to create a final topography appropriate to the final land use selected in the Reclamation Plan:

The majority of the drill pads will be on existing access roads. The only grading necessary will be to back fill the cuttings pits once dry and grade the surface to match the surrounding terrain.

(2) When backfilling is a part of the plan, the Operator shall replace overburden and waste materials in the mined area and shall ensure adequate compaction for stability and to prevent leaching of toxic or acid forming materials:

The backfilled cutting pits will be small, 4 ft. deep by 10 ft. wide by 15 ft. long with two mud pits per drill pad. Once they are backfilled, a small dozer will be used to track over the pit, compacting the cuttings and overburden.

(3) All grading shall be done in a manner to control erosion and siltation of the affected land, to protect areas outside the affected land from slides and other damage. All highwalls shall be eliminated:

The core hole drill pads will measure approximately 40 ft. X 40 ft. and will generally be on existing site access roads and other disturbed areas. Appropriate erosion control measures will be implemented based on USFS recommendations for exploration activity on patented and unpatented lands. In addition, water bars will be placed up-gradient of a pad where the road grade is such that an erosion control measure is needed to control storm water runoff. For those drill pad sites that are essentially flat, erosion control measures around the drill pad may be all that is necessary.

An area adjacent to the 350 Portal measuring approximately 100 ft. X 100 ft. will be used for storage of material for underground exploration and mapping. This area is relatively flat and will not need to be regraded.

(4) All backfilling and grading shall be completed as soon as feasible after the mining process. The Operator shall establish reasonable timetables consistent with good mining and reclamation practices:

Drill pad reclamation will occur once a drill pad is not needed for further site exploration. As stated above, the 350 Level Portal area will remain unreclaimed. However, if it is determined not to proceed with the mining operation, the Portal area will be reclaimed prior to the end of the 5 year period allowed for site reclamation.

(5) All refuse and acid forming or toxic producing materials that have been mined shall be handled and disposed of in a manner that will control unsightliness and protect the drainage system from pollution:

All refuse due to exploration drilling operations will be removed and disposed of in an approved facility off-site. No acid forming or toxic producing materials are expected. All core hole drill cuttings will be buried in the cuttings pits, backfilled, compacted, the topsoil replaced, then seeded and mulched. For those drill pads within the road right-of-way, only backfilling, grading, and compaction will occur.

(6) Any drill or auger holes that are part of the mining operation shall be plugged with non-combustible material, which shall prevent harmful or polluting drainage. Adits and shafts should be closed, and where practicable, backfilled and graded in a manner consistent with the post mining land use:

Once the surface exploration drill activities are complete and the core holes are no longer needed, they will be backfilled with bentonite mud, with the top ten feet filled to the surface with neat cement. Some type of permanent core hole marker may be placed in the core hole for future reference. Any marker used will not pose a hazard to wildlife or humans walking across the surface.

(7) Maximum slopes and slope combinations shall be compatible with the configuration of surrounding conditions and selected land use. In all cases where a lake or pond is produced as a portion of the Reclamation Plan, all slopes, unless otherwise approved by the Board or Office, shall be no steeper than a ratio of 2:1 (horizontal to vertical ratio), except from 5 feet above to 10 feet below the expected water line where slopes shall be not steeper than 3:1. If a swimming area is proposed as a portion of the reclamation Plan, the slopes, unless otherwise approved by the Board or Office, shall be no steeper than 5:1 through the area proposed for swimming, and a slope no steeper than 2:1 elsewhere in the pond:

Not applicable to this operation.

(8) If the Operator's choice of reclamation is for agricultural or horticultural crops which normally require the use of farm equipment, the Operator shall grade so that the area can be traversed with farm machinery:

Not applicable to this operation.

(9) An Operator may backfill structural fill material generated within the MLRB permitted area into an excavated pit within the permit area as provided for in the MLRB Permit. If an Operator intends to backfill inert structural fill generated outside of the approved permit area, it is the Operator's responsibility to provide the Office notice of any proposed backfill activity not identified in the approved Reclamation Plan in accordance with the provision of Section 3.1.5(9):

No structural fill will be imported.

(10) All mined material to be disposed of within the affected area must be handled in such a manner so as to prevent any unauthorized release of pollutants to the surface drainage system:

No material will be mined. All core hole cuttings will be placed in a series of two mud pits or tanks. Most of the water from drilling will be recirculated. Any discharge from the mud pits or tanks will be through erosion control material and directed on to the forest floor through a small ditch, constructed on the contour.

(11) No unauthorized release of pollutants to ground water shall occur from any materials mined, handled or disposed of within the permit area:

There will be not release of pollutants to ground water, and no materials are to be mined.

3.1.6 Water – General Requirements:

(1) Hydrology and Water Quality:

Disturbances to the prevailing hydrologic balance shall be minimized:

(a) Compliance with applicable Colorado Water laws and regulations governing injury to existing water rights:

Gold Hill Minerals holds 16 shares of water rights which it will use to supply non-potable water for exploration operations. The source of non-potable water for dust control and surface core hole drilling operations will be from Little James Creek. Potable water for human use will be brought on-site daily from local domestic water supplies.

(b) Compliance with applicable federal and Colorado water quality laws and regulations, including statewide water quality standards and site

specific classifications and standards adopted by the Water Quality Control Commission:

Gold Hill Minerals is not currently responsible for any discharges associated with the property. The exploration activities will not impact the current site conditions in a manner to affect surface or ground water quality standards, or affect applicable water rights. (As stated above, Gold Hill Minerals holds 16 shares of water.)

(c) Compliance with applicable federal and Colorado dredge and fill requirements:

No wetlands will be affected by the proposed exploration operations.

- (d) Removing temporary or large siltation structures form drainageways after disturbed areas are revegetated and stabilized, if required by the Reclamation Plan:
- . No temporary or large siltation structures are associated with the proposed exploration operations.
 - (2) Earth dams, if necessary to impound water, may be constructed if the formation of such impoundments will not damage adjoining property or conflict with water pollution laws, rules or regulations of the federal government, the state of Colorado or with any local government pollution ordinances:

No new earthen dams will be constructed.

(3) All surface areas of the affected land, including spoil piles, shall be stabilized and protected so as to effectively control erosion:

All activities are proposed to occur mainly on existing access roads. All areas where exploration activities are planned to occur will be protected from excessive erosion by the methods discussed above. These methods include: water bars, erosion matting, berms and silt fences. Seeding will occur on any areas which fall outside the existing roads or other previously disturbed areas used for exploration drill pads.

(4) The Office *may* require the submission of baseline site characterization data, sufficient to ensure that impacts from *mining* will be detected, prior to the initiation of mining, including but not limited to, ambient ground water and surface water quality data sufficient to characterize potential impacted waters:

No site specific surface water quality data is available and has not generally been required by the DRMS. In addition, the areas proposed for exploration core hole drilling operations are at least a mile from Little James Creek, the nearest perennial waterway.

(5) Drilling pits used during ... mining shall be constructed and operated to minimize impacts to public health, safety, welfare and the environment, including soil, waters of the State, including groundwater, and wildlife:

If exploration drilling mud pits are used during core hole prospecting operations, they will be constructed, operated and managed as discussed above. We may also use tanks versus mud pits. Cuttings collected in tanks will be buried on-site, backfilled and reclaimed. If the cuttings are buried within a road right-of-way, the disposal area will be backfilled, compacted and graded smooth. If disposed on an adjacent area, (off the road right-of way) the disposal area will be backfilled, compacted, topsoil replaced and the area seeded and mulched.

3.1.7 Groundwater – Specific Requirements:

This Section is not applicable for this operation. However, if ground water is encountered and results in artesian flows to the surface, we will contact the Division. The reclamation of the artesian well will include prevention of a continued discharge to the surface. This is not anticipated since the site it is well away from the high elevation mountains and the ground water elevation appears to be well below the ground surface, based on observations made in the underground mine workings.

3.1.8 Wildlife:

(1) All aspects of the mining and reclamation plan shall take into account the safety and protection of wildlife on the mine site, at processing sites, and along all access roads to the mine site with special attention given to critical periods in the life cycle of those species which require special consideration (e.g., elk calving, migration routes, peregrine falcon nesting, grouse strutting grounds):

Given the limited area of disturbance, .65 acres, and the limited time of the proposed activity, wildlife should not be significantly impacted.

(2) Habitat management and creation, if part of the Reclamation Plan, shall be directed toward encouraging the diversity of both game and non-game species, and shall provide protection, rehabilitation or improvement of wildlife habitat:

No changes to the site's habitat are proposed, essentially all areas of disturbance will occur on existing access roads and other previously disturbed areas.

3.1.9 Topsoiling:

(1) Where it is necessary to remove overburden in order to mine the mineral, topsoil shall be removed and segregated from other spoil. If such topsoil is not replaced on a backfill area within a time short enough to avoid deterioration of the

topsoil, vegetative cover or other means shall be employed so that the topsoil is preserved from wind and water erosion, remains free of any contamination by toxic or acid-forming material, and is a usable condition for reclamation:

Any exploration drill pad areas which fall outside the access road right-of-way will have the topsoil pushed to the uphill side of the drill pad. It will not be seeded. It will be marked as topsoil. No drill cuttings will be incorporated into topsoil. The excavated material for the mud pits will be placed to the sides and downhill from the mud pits, in a U shaped fashion as an erosion control measure.

(2) Where practicable, woody vegetation present at the site shall be removed from or appropriately incorporated into the existing topsoil prior to excavation with the affected areas. The Operator should make a reasonable effort to ensure that existing vegetation is put to a beneficial use such as firewood, mulching, lumber, etc:

No wood vegetation will be disturbed.

(3) Topsoil stockpiles shall be stored in places and configurations to minimize erosion and located in areas where disturbance by ongoing mining operations will be minimized. Such stockpile areas must be included in the affected areas and subject to all reclamation requirements:

As discussed above, for those exploration drill pads which fall outside of an existing access road right-of-way, the topsoil will be placed uphill of the exploration drill pad. The areas where the topsoil is placed will be considered affected area and will be reclaimed according to the approved plan.

(4) Once stockpiled, the topsoil shall be re-handled as little as possible until replacement on the regarded, disturbed areas:

The topsoil will be moved only twice; when removed and when replaced.

(5) The Operator shall take measures necessary to assure the stability of replaced topsoil on graded slopes such as roughing in final grading to eliminate slippage zones that my develop between the deposited topsoil and heavy textured spoil surfaces:

The areas having topsoil replaced will be relatively flat. The areas will be seeded and mulched in order to ensure site stabilization.

(6) Topsoil substitute:

There will be no need to substitute topsoil for site reclamation.

(7) When growing media is replaced, it shall be done in as even a manner as possible. Fertilizer or other soil amendments shall be added:

The areas receiving topsoil will have the topsoil placed back over the affected area at the approximate depth as existed prior to disturbance. We do not plan on the application of fertilizer or other soil amendments at this time. (The majority of the areas disturbed is proposed to fall within existing access roads and will not have topsoil placed or seeded.)

(8) Vegetative piles shall be removed from the area or utilized in accordance with the Reclamation Plan:

There will be no vegetative piles.

3.1.10 Revegetation:

(1) In those areas where revegetation is part of the Reclamation Plan, land shall be revegetated in such a way as to establish a diverse, effective, and long lasting vegetative cover that is capable of self-regeneration without continues dependence on irrigation, soil amendments or fertilizer, and is at least equal in extent of cover the natural vegetation of the surrounding area:

The following seed mix is taken from the Plan of Operations submitted to the USFS.

Proposed Seed Mix

Ponderosa Pine/Spruce/Fir Vegetation Areas (6,000 – 9,000 feet)

The below rates are for drilled seeding. Double the drill rates for broadcast seeding.

Species	Scientific Name	Variety	Lbs. PLS/Acre
Yarrow*	Achillea lanulosa		0.1
Rocky Mtn. penstemon*	Penstemon strictus	Bandera	0.3
Western wheatgrass	Pascopyrum smithii	Arriba	2.5
Slender Wheatgrass	Elymus trachycaulus	San Luis	2.5
Mtn. brome	Bromus marginatus	Bromar	2.5
Big bluegrass	Poa ampla	Sherman	0.5
Canby bluegrass	Poa canbyi	Canbar	0.25
Total pls lbs./acre drilled			8.65

*To be bagged separately from the primary mix and attach the bag to the outside of the primary seed bag.

(2) If the Operator's choice of reclamation is forest planting, they may, with the approval of the department, select the type of trees to be planted:

No trees will need to be removed. Essentially, all exploration drill pads will be constructed on existing access roads. Therefore, no tree planting will occur.

(3) If the Operator's choice of reclamation is for range, the land shall be restored to slopes commensurate with the proposed land use and shall not be too steep to be traversed by livestock:

The post exploration land use is forestry and wildlife habitat. The areas affected are proposed to be existing access roads. To the best of our knowledge, livestock do not use the area.

(4) The revegetation plan shall provide for the greatest probability of success in plant establishment and vegetation development by considering environmental factors such as seasonal patterns of precipitation, temperature and wind; soil texture and fertility; slope stability; and direction of slope faces. Similar attention shall be given to biological factors such as proper inoculation of legume seed, appropriate seeding and transplanting practices, care of forest planting stock, and restriction of grazing during initial establishment. The Board or Office, in consultation with the landowner and the local Soil Conservation District, if any, shall determine when grazing may start:

The broad selections of species for reclamation are those recommended by the DRMS for mid to high altitude abandoned mine sites. All planting will take place in the fall of the year to take advantage of spring snow melt, ensuring a satisfactory level of establishment. Where practical, seed will be drilled. Where not practical due to slope steepness, the areas will be broadcast seeded at twice the drill seeding rate. The seeded areas will be mulched and crimped or tackified to control wind and water erosion. Since these are mountain soils, we do not intend to routinely take subsoil and topsoil soil samples for analysis. To the extent possible, no slope will be steeper than 3H:1V. Any seeded legumes will be inoculated per seed supplier specifications. Grazing is generally not an activity on these lands. If grazing were to occur on U.S. Forest Service Land, it would be subject to USFS approval and regulation. No grazing will occur on Gold Hill Minerals lands. In addition, the USFS have to approve our POO prior to activity on USFS lands. This approval will include site specific reclamation and plant species to be seeded. We have included the preliminary seed list, pending USFS POO approval. If the DRMS determines some revised list is more appropriate for Gold Hill Minerals land, we will use that list on Gold Hill Minerals land.

(5) To insure the establishment of diverse and long lasting vegetative cover, the Operator shall employ appropriate techniques of site preparation and protection

such as mechanical soil conditioning by discing and ripping; mulching; soil amendments and fertilizers; and irrigation:

Please see above.

(6) Methods of weed control shall be employed for all prohibited noxious weed species, and whenever invasion of a reclaimed area by other weed species seriously threatens the continued development of the desired vegetation:

Please see Attachment I

(7) When necessary, fire lanes or access roads shall be constructed through the area to be planted:

Not applicable to this operation

- (8) Planting required for reclamation may be delayed, through the period of use related to places of refuse disposal, haulage roads and road cuts. Normal stabilization of surfaces is required:
 - (a) on any affected land being used or proposed to be used by the Operator for the deposit or disposal of refuse until after the cessation of operations productive of such refuse;

Some core hole drill cuttings may be disposed within the existing access roads right-of-ways. Once exploration core hole drilling operations are completed on a drill pad located in a road right-of-way, the core hole will be properly closed as discussed above, the cuttings buried, compacted and the road regraded.

(b) on lands proposed for future mining;

The only area proposed for possible future mining at this time is the area around the 350 Portal. This area will not be reclaimed until a decision to institute a commercial mining operation is made. We understand that the area must be reclaimed within the five year time frame if no other mining related activities occur.

(c) within depressed haulage roads or final cuts while such roads or final cuts are being used or made;

There will be no haulage roads. This Section is not applicable

(d) where permanent pools or lakes have been formed; and

This Section is not applicable

(e) on any affected land so long as the chemical and physical characteristics of the surface and immediately underlying material of such affected land are toxic, deficient in plant nutrients, or composed of sand, gravel, shale, or stone to such an extent as to seriously inhibit plant growth and such condition cannot feasibly be remedied by chemical treatment, fertilization, replacement of overburden or like measures:

This Section is not applicable

3.1.11Buildings and Structures:

If the affected land is owned by a legal entity other than any local, state, or federal entity, and buildings or structures including those constructed or placed on the affected lands in conjunction with the mining operations or which are historic structures as determined by the State Historic Preservation Office may remain on the affected land after reclamation at the option of the Operator and Landowner if such buildings or structures will not conflict with the post mining land use, and with the approval of the board:

Other than some existing and poorly maintained structures around the mine portal, there are no other structures at the site. No structures will be affected by the proposed exploration operations.

3.1.12Signs and Markers:

Not applicable since this is a prospecting operation and no signs or markers are required.

Attachment I

WEED CONTROL PROGRAM

The Gold Hill Minerals will comply with the State of Colorado and Boulder County Noxious Weed Control regulations.

Gold Hill Minerals will utilize the following mechanical and chemical methods to control noxious weeds:

Field Mowing:

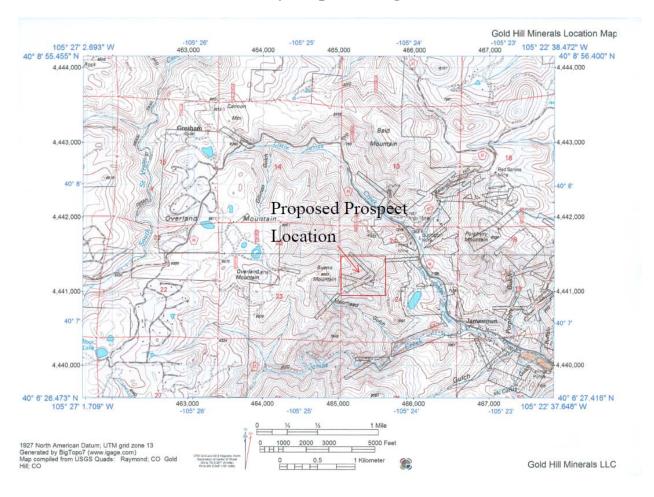
Prior to noxious weeds reaching full maturity (producing flowers/going to seed), the weeds shall be mechanically mowed to a height of 4" to 6" where such activity will not pose a hazard to equipment or equipment operators. This should be performed twice during the growing season in late spring and late summer. Additional mowing will be performed as necessary.

Chemical Control:

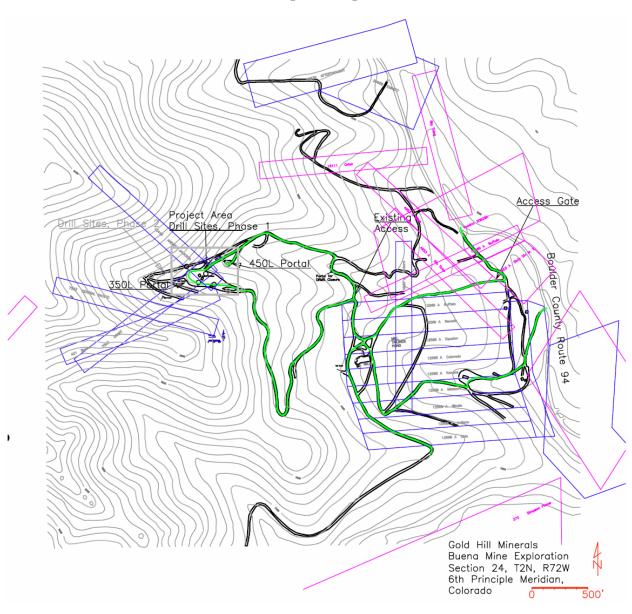
One initial application of an appropriate selective herbicide shall be applied, per manufactures recommendations, or by a certified applicator for control of noxious weeds. Application shall be done during the growth stage and when temperatures and other conditions are appropriate to achieve the most effective control. Follow-up applications will be done as needed.

In addition, Gold Hill Minerals will do routine surveys to identify noxious weeds and make timely arrangements for control and treatment. Gold Hill Minerals will keep a record of drill pad areas needing noxious weed control.

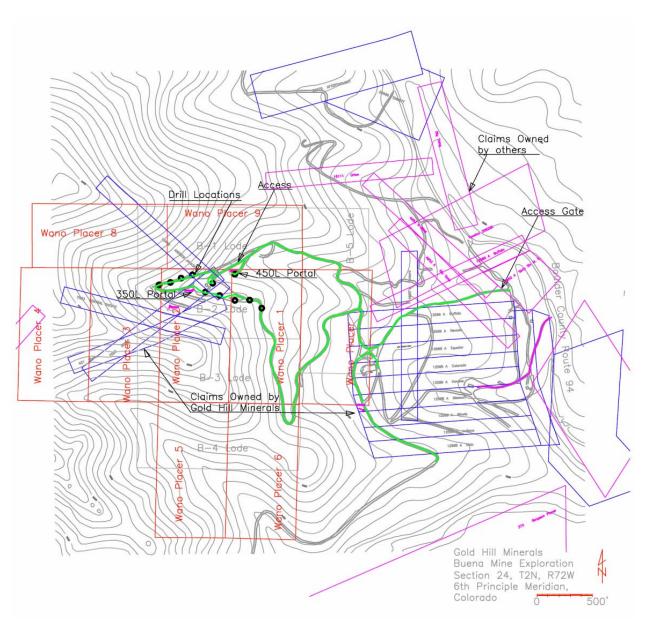
Vicinity Maps and Figures



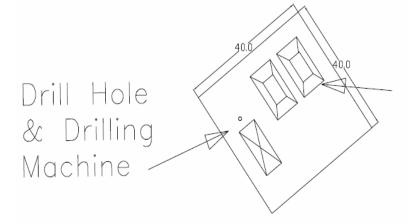
Overall Rendition of the Proposed Exploration Sites and Access:



Claims:



Drill Site Typical Layout (in feet)



2 Sumps for fluids, 8'x15'x4'deep, with sloping sides

Claims:

Plan of operations for Mining Activities on National Forest System Lands

III. Properties or Area

MC#	Name	Section	Township	Range
421	Buena (Patented)	24	T2N	R72W
7583	Central Pacific (Patented)	24	T2N	R72W
7583	Grant (Patented)	24	T2N	R72W
16449	Andrew Jackson (Patented)	24	T2N	R72W
CMC 281431	B-1 Lode (Unpatented)	24	T2N	R72W
CMC 281432	B-2 Lode (Unpatented)	24	T2N	R72W
CMC 281433	B-3 Lode (Unpatented)	24	T2N	R72W
CMC 281434	B-4 Lode (Unpatented)	24	T2N	R72W
CMC 281435	B-5 Lode (Unpatented)	24	T2N	R72W
CMC 281422	Wano Placer No. 1 (Unpatented)	24	T2N	R72W
CMC 281423	Wano Placer No. 2 (Unpatented)	24	T2N	R72W
CMC 281424	Wano Placer No. 3 (Unpatented)	24	T2N	R72W
CMC 281425	Wano Placer No. 4 (Unpatented)	24	T2N	R72W
CMC 281426	Wano Placer No. 5 (Unpatented)	24	T2N	R72W
CMC 281427	Wano Placer No. 6 (Unpatented)	24	T2N	R72W
CMC 281428	Wano Placer No. 7 (Unpatented)	24	T2N	R72W
CMC 281429	Wano Placer No. 8 (Unpatented)	24	T2N	R72W
CMC 281430	Wano Placer No. 9 (Unpatented)	24	T2N	R72W
4953 A	Pickard (Patented)	24	T2N	R72W
12569 A	Buffalo (Patented)	24	T2N	R72W
12569 A	Nevada (Patented)	24	T2N	R72W
12569 A	Equator (Patented)	24	T2N	R72W
12569 A	Colorado (Patented)	24	T2N	R72W

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Plan of operations for Mining Activities on National Forest System Lands

12569 A	Kansas (Patented)	24	T2N	R72W
12569 A	Missouri (Patented)	24	T2N	R72W
12569 A	Illinois (Patented)	24	T2N	R72W
12569 A	Indiana (Patented)	24	T2N	R72W
12569 A	Ohio (Patented)	24	T2N	R72W
20668	Emmett (Patented)	24	T2N	R72W
20675	Afterthought (Patented)	24	T2N	R72W

Proof of Placement with the USFS

Proof of Notice to the Boulder County Commissioners

NOTICE OF FILING A NOTICE OF INTENT WITH THE COLORADO MINED LAND RECLAMATION BOARD NOTICE TO THE BOARD OF COUNTY COMMISSIONERS BOULDER COUNTY

The Gold Hill Minerals, (the "Prospector") has applied for a Notice of Intent (NOI) from the Colorado Mined Land Reclamation Board (the Board) to conduct mineral prospecting operations in Boulder County. The attached information is being provided to notify you of the location and nature of the proposed operation. The entire application is being submitted as non-confidential and may be viewed on the DRMS website.

The applicant/operator proposes to reclaim the affected land to forestry and wildlife use.

If you would like to discuss the proposed post-mining land use, or any other issue regarding this application, please contact the Division of Reclamation, Mining, and Safety, 1313 Sherman Street, Room 215, Denver, Colorado 80203, (303) 866-3567.