



*Environmental Support for:*

- *Transportation*
- *Land Development*
- *Mining*
- *Industry*

May 1, 2012

Michael Cunningham  
Environmental protection Specialist  
Colorado Division of Mining Reclamation & Safety  
1313 Sherman St., Room 215  
Denver, Colorado 80202

Re: Update on Brownwood Pit M-1979-059, Unresolved Problems

Dear Michael,

We are commencing a Clay Liner Performance Leak Test for the south east cell of the Brownwood pit this month (May 2012).

The final revision for the Temporary Substitute Supply Plan was submitted to the SEO in early April. We expect the final approval to be forthcoming. Additionally, we are working with the SEO to dedicate water rights to the plan as an option to cover potential DRMS liability.

Sincerely,

A handwritten signature in black ink that reads 'Peter Wayland'.

Peter Wayland  
President