

May 4, 2012

Dustin Czapla
Division of Reclamation, Mining and Safety
101 South 3rd, Suite 301
Grand Junction, CO 81501

RE: May Day Idaho Mine Complex, Permit No. M-1981-185, Geotechnical Drilling Route Above May Day No. 1 Highwall

Dear Mr. Czapla,

As per our phone conversations on April 26, 2012 and today, I am providing you with this letter and the enclosed figures to clarify that Wildcat Mining Corporation (WCM) may need to temporarily utilize an access route outside of the current affected area boundary (AAB) of the May Day Idaho Mine Complex (M-1981-185). This route is clearly marked on Figure 1, and may need to be used in order to perform geotechnical drilling of bedrock above the highwall of the collapsed May Day No. 1 portal. This activity is strictly for safety purposes in order to investigate potential hazardous fracture zones above the highwall. As you are aware, over the next couple weeks WCM intends to rehabilitate the collapsed portal and stabilize the surrounding rock face and walls.

WCM prefers to access the top of the highwall using routes within the AAB. However, due to the steepness of the highwall, and the potential unstable conditions, WCM is requesting DRMS to approve a secondary access route in the event that the preferred route is too hazardous. The secondary route would initiate from an historic road footprint that begins within the AAB of the access road between the May Day No. 1 and May Day No. 1 East working areas. The historic road goes outside of the AAB after approximately 30 feet. WCM would rely on this road for an additional 50 feet, at which point the route would be on previously undisturbed ground for 90 feet prior to reentering the AAB. The route continues for another 50 feet within the AAB and terminates at the intended drilling location. In total, 140 feet of this route occurs outside of the AAB. See Figure 1 for a visual display of the route description.

The access would be used only one time by a small rubber-tracked drill rig (Photos 1-2), owned and operated by Trautner Geotech LLC of Durango. The total drilling depth is anticipated to be approximately 50 feet from surface. Site conditions will dictate whether the drilling will be performed using auger (4" total diameter) or coring techniques (3.5" total diameter to remove 1¾" diameter core). This secondary route was traversed on foot by WCM and the drill operator, and was chosen because it will utilize previous disturbance and provide good access for personnel to safely test bedrock up-gradient of the highwall. For segments of the route that are not on the historic road, the tracked drill will easily traverse over the terrain without the need for road building or heavy equipment. The small drill is narrow enough (5 foot track width, 7 foot total width) that no trees will need to be removed along the secondary route. Upon completion of the drilling, all previously undisturbed ground along the route will be scarified, re-seeded, and vegetative debris (oak brush and dead branches) will be placed downslope of the route to prevent any soil erosion prior to re-vegetation.

If this route is relied upon, WCM will diligently monitor and ensure the re-vegetative success of all newly disturbed segments of the route until DRMS is satisfied that the vegetation meets or exceeds previous conditions (Photos 3-5). Please let me know as soon as possible if DRMS approves use of this secondary route, or if WCM needs to take additional steps to gain DRMS approval.

If you have any questions or concerns, please do not hesitate to call (office: 970-565-0278; cell: 970-426-2924) or email (mt@reardonsteel.us).

Sincerely;



Mike Thompson
Principal/Reardon Steel LLC

Enclosures: Figure 1. May Day No. 1 Geotechnical Drilling Route
Photos 1-2: Trautner Geotech LLC's track mounted drill rig
Photos 3-5: representative vegetation along secondary access route

Ec: Randy Oser, President/Wildcat Mining Corporation



Figure 1. May Day No. 1 Geotechnical Drilling Route

MEMORANDUM

To: Dustin Czaplá/Division of Reclamation Mining and Safety

Cc: Randy Oser/Wildcat Mining Corporation

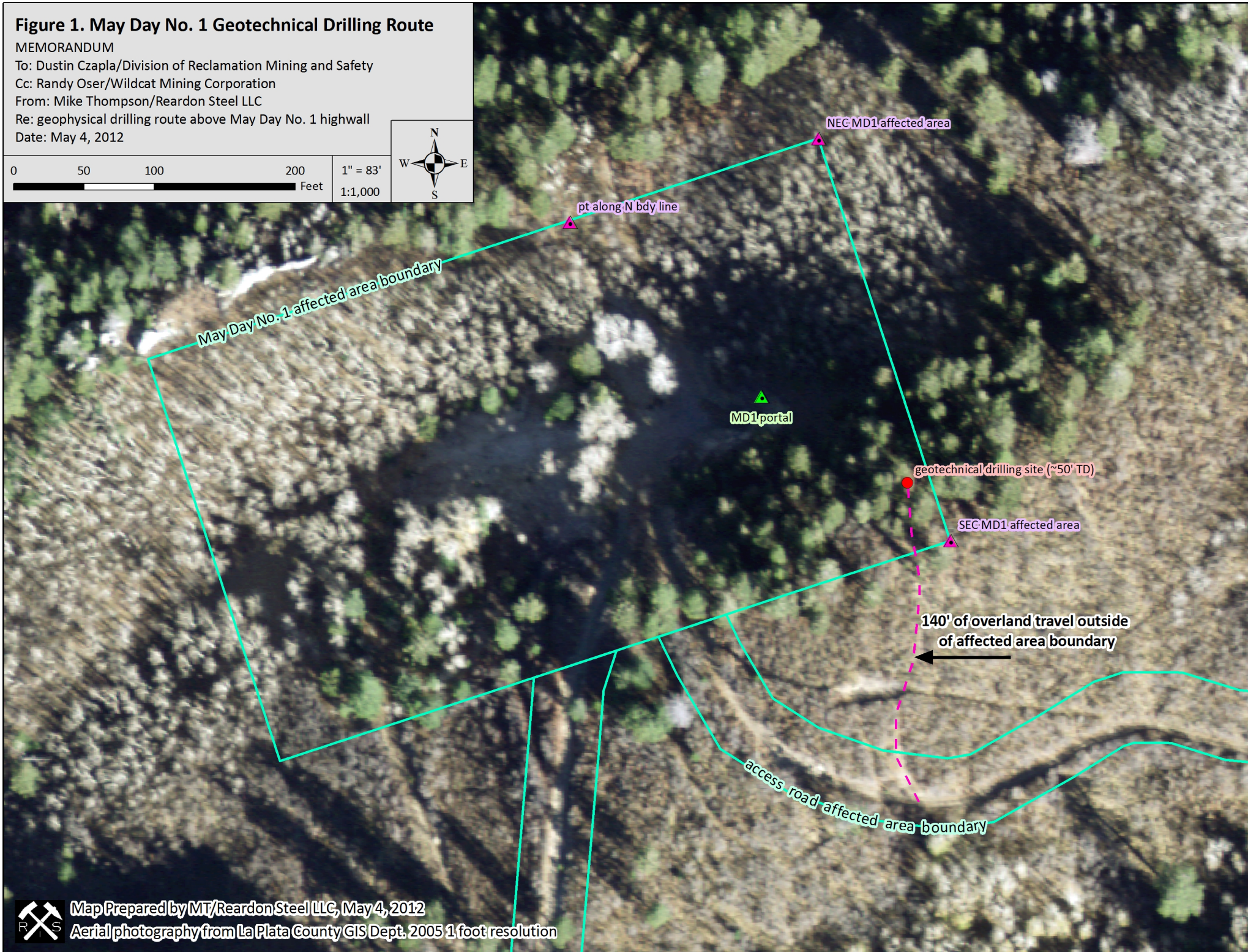
From: Mike Thompson/Reardon Steel LLC

Re: geophysical drilling route above May Day No. 1 highwall

Date: May 4, 2012

0 50 100 200 Feet

1" = 83'
1:1,000



Map Prepared by MT/Reardon Steel LLC, May 4, 2012

Aerial photography from La Plata County GIS Dept. 2005 1 foot resolution



Photos 1 and 2. Troutner Geotech LLC's track mounted drill rig to be utilized for the geotechnical drilling activities at the May Day No. 1 highwall.





Photo 3. Representative vegetation along secondary access route (dashed line), adjacent to affected area boundary around access road.



Photo 4. Representative vegetation along secondary access route (dashed line), near southern boundary of May Day No. 1 affected area boundary.



Photo 5. Representative vegetation near drilling location at the top of the highwall above May Day No. 1 portal. Photo is from within the affected area boundary.