

Via Email and U.S. Mail

May 21, 2012

Tom Kaldenbach Division of Reclamation, Mining & Safety 1313 Sherman Street, Rm 215 Denver, CO 80203

Re: Schwartzwalder Mine, Permit No. M-1977-300 Quarterly Groundwater Data for First Quarter 2012

Dear Mr. Kaldenbach:

With respect to the Schwartzwalder Mine site, enclosed please find quarterly groundwater quality monitoring results for the first quarter 2012. This submittal represents continuation of routine quarterly reporting of groundwater monitoring results.

If you have any questions, please contact me at 719-275-7413 (ext. 202).

Sincerely,

John Stamme

John S. Hamrick Vice President, Mill Operations

cc: Daniel Arnold, Esq. (Denver Water) Mike Harris (WQCD)