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

June 1, 2012

Mark A. Steen Gold Hill Mines, Inc. 957 Reynolds Farm Lane Longmont, CO 80503



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Pineda

Gold Hill Mill, Permit M-1994-117, Annual Fee Invoice and Report Request

PLEASE READ CAREFULLY – ACTION REQUIRED Please attach your COMPLETED written Annual Report and Annual Report Map to this form

Under the terms of your NOI or Reclamation Permit and Colorado Statutes, you must submit Annual Fees and Annual Reports (including a map). You must pay the Annual Fee and submit an Annual Report each year until reclamation responsibility release is granted. The Annual Fee is not a renewal fee. The Fee and Report are for LAST YEAR'S mining and reclamation season, and MUST be paid even if your operation was inactive.

The Annual Report and Fee requirement will be considered submitted when we have received the following components:

- 1. APPROPRIATE ANNUAL FEE
- 2. COMPLETED ANNUAL REPORT
- 3. ASSOCIATED MAP as required by rule

If you have requested reclamation responsibility release from the Division of Reclamation, Mining and Safety (the "Division") but your permit is not released by the anniversary date listed below, the Annual Fee MUST be paid. If the permit is released before the anniversary date, then by Statute, it is not necessary to pay an Annual Fee or submit an Annual Report for that year.

Division records indicate the \$259.00 fee is due for the following:

Permit: M-1994-117 Operation Name: Gold Hill Mill Anniversary Date: July 26, 2012

Total Fee Due: \$259.00 (Due on or before your Anniversary Date)

Return the enclosed <u>Annual Report FORM</u>, a <u>MAP</u>, and a <u>CHECK</u> or <u>MONEY ORDER</u> made payable to: Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. If your records indicate these documents and fees have already been submitted, please notify the Division.

If you have additional comments and/or information that should be provided to the Division, please provide it below or attach it to this form along with your written report and map. Annual Report instructions are enclosed. If you have any questions, please feel free to contact Jim Dupler (303)866-3567 x8132 or Christine Brookshire (303)866-3567 x8132. Thank you for your cooperation in this matter.

IF THE ANNUAL FEE SUBMITTALS ARE NOT RECEIVED ON OR BEFORE YOUR ANNIVERSARY DATE, THE ENFORCEMENT PROCESS WILL AUTOMATICALLY BE INIATIED. ENFORCEMENT ACTIONS MAY RESULT IN CIVIL PENALTIES AND/OR REVOCATION OF YOUR PERMIT.

110(2) Annual Report

Permittee Name:	Gold Hill Mines, Inc.	Permit Number:	M-1994-117
Operation Name:	Gold Hill Mill	County:	Boulder
Annual Fee Due:	\$259.00	Anniversary Date:	July 26, 2012
Permit Acreage:	8.40	Current Bond Amt:	\$47,243.00

According to C.R.S. 34-32.5-116 or 34-32-116, each year, on the anniversary date of the permit, an operator shall submit the Annual Fee, an Annual Report and Map showing the extent of current disturbances to affected land, required monitoring information, reclamation accomplished to date and during the preceding year, any new disturbance that is anticipated to occur during the upcoming year, any reclamation that will be performed during the upcoming year, the dates for the beginning of active operations, and the date active operations ceased for the year.

Information contained in this report will be reviewed by the Division upon receipt and prior to the next compliance inspection of the site. If, while completing this report, you learn that your site is not in compliance with the rules and the act, it is advisable that the issues be rectified promptly to avoid possible enforcement action.

					_		_							
1.	Is the site identi	ntification sign posted in accordance with Rule 3.1.12(1).							Yl	ES	NO			
2.	. Is the affected area boundary clearly marked in accordance with Rule 3.1.12(2).										Yl	ES	NO	
3.	3. Is the mine site in final reclamation (all material extraction and stockpile removal is complete)? If "YES," please note time limits related to completion of reclamation, Rule 3.1.3.									lete)?	Yl	ES	NO	
4. What was the date of last excavation, processing or hauling activity at the mine?														
5.	5. Does the mine operate more than 180 days per year If "NO", please review Rule 1.13 to assure that your mine is in compliance.									Yl	ES	NO		
6.	a) approval of TEMPORARY CESSATION Status?b) approval for INTERMITTENT OPERATION?								YI YI	ES ES	NO NO			
7.	Number of acre	s currently	affected	(mining +	incon	nple	te and or unrelea	ased	reclam	ation).				
8.	Number of acre	s that were	newly af	fected du	ring th	e cu	rrent report year	r .						
9.	Number of acre	s that were	reclaime	d during t	he cur	rent	report year.				_			
10.	. Estimated new	acreage to l	e affecte	ed in the n	ext rep	port	year.							
11.	. Estimated acres	to be recla	imed in t	he next re	port y	ear.								
12	. Total acres in v	zarione etac	es of rec	lamation	cinca	narn	nitted mining act	tixzit	iac hag	an•				
ΙΔ,	Total acres		Total acr		Since	pern	Total acres	LIVIL		Total a	cres			
	backfilled:		seeded w				w/topsoil			mulche				
			approved				replaced:				ed mul	ch:		
	Total acres		Total acr			Topsoil		Mulch appl						
	graded:		fertilized w/			replacement	rate (tons):							
			apvd fert	ilizer:			depth (in.):			`	•			
	Seed	•		Fertilize	r				Mulch					
	application			applicati	ion				applica	tion				
1	mothod:			mathad					mathad	1.	l			

13. Is weed control being conducted in accordance with an approved Weed Control Plan? YES NO N/A If "YES", indicate the weed species, control area, control type, application rate and treatment date on the report map.							
14. Is adequate topsoil If "NO", please ex	YES	NO	N/A				
15. Is the reserved tops If "NO" please exp	YES	NO	N/A				
	sed groundwater, is the site in commit, S.W.S.P., and/or Permanent A	appliance with the approved mining plangmentation Plan)?	an and Off YES	ice of the NO	he State N/A		
17. Are all hazardous r	pill containment structures?	YES	NO	N/A			
18. Is your financial w	e cost to complete reclamation?	YES	NO	N/A			
19. Is your basis for lea		YES	NO				
20. Does your permit r If "Yes", please att	YES	NO	N/A				
boundary and locat	ion of the acreages specified in ite te the following permittee contact	ccurately depicts the permit boundary ems 7- 12 and 14. UPDATED MAP at information. If this information is not	ATTACHE	ED:			
Permittee Contact:	Mark A. Steen						
Permittee Company:	Gold Hill Mines, Inc.						
Address:	957 Reynolds Farm Lane						
	Longmont, CO 80503						
Phone Number:	(303) 651-2985						
Fax Number:							
Email Address:	CF.PR.email						
	by state that the information proviordance with the Division approve	ided in this report is true and accurated mining and reclamation plans.	, and that	site ope	erations are		
Signature of <u>Permitte</u>	e, Corporate Officer, Owner, or	Documented Designee	Date		_		