From: JESS MINIUM [mailto:mshm-r@scattercreek.com]

Sent: Friday, June 15, 2012 6:31 PM

To: Waldron, Tony **Cc:** Kaldenbach, Tom

Subject: Emailing: APACHE DO I NEED A PERMIT

Gentlemen: attached please find the questions and answers, "Do I need a Permit" for your considerations. if you need anything please do not hesitate to let me know and I will gladly supply it. thank you. Jess E. Minium, Jr. Senior Consultant/Natural Resources, MTAA LTD.

Your message is ready to be sent with the following file or link attachments:

APACHE DO I NEED A PERMIT

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

MTAA LTD in care of JOHN M. LASSALETTE, ATTORNEY 1280 Ute Avenue, Aspen, Colorado 81611

June 14, 2012

Tony Waldron (303) 866-3567 Ext: 8150
Senior Environmental Protection Specialist
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

RE: Need For State Reclamation Permit- M

APACHE TAILINGS, OU-7, LEADVILLE, COLORADO

Dear Mr. Tony Waldron:

MTAA LTD is the recorded and private legal owner of the Mill Tailing material located on less than ten (10) acres, (i.e., 9.4 acres) of land known as the Apache (OU-7) Mill Tailings, within the City Limits of Leadville, Colorado, commonly described as follows:

A portion of #00255 Pt. Starr Placer California 5.867 acres A portion of #00255 Pt. Starr Placer California 10.466 acres

This letter is to notify you that we have read the pertinent sections of the State of Colorado Statutes, and Rules and Regulations, and Board Policy adopted July of 1999, titled "Need for a Reclamation Permit" authorizing a Short Mined Land Reclamation Board Permit. We have also checked your Rule 1.2 which describes activities the Board has determined do not require state reclamation permits.

We hereby notify you that we want to be sure of just how the Rules may apply to our activity at the Apache (OU-7) Mill Tailings site, Leadville, Colorado.

We have answered the list of questions, i.e., "Do I need a State Mined Land Reclamation Board permit?" and have attached the answer hereto, for you to make a Decision. If you have any questions or response, please contact me by phone at (360) 578-5958, or by e-mail at: mshm-r@scattercreek.com or by snail mail at 205 Oak Street, Kelso, WA., 98626.

Sincerely,

JESS E. MINIUM, JR Senior Consultant, MTAA LTD

MTAA LTD in care of JOHN M. LASSALETTE, ATTORNEY 1280 Ute Avenue, Aspen, Colorado 81611

June 14, 2012

"Need for a Reclamation Permit"

Please include in your request answers to the following questions:

1. Please give the legal location of the proposed project and submit a site map that clearly delineates the location of the proposed extraction site and the nearest city.

A portion of the Starr Placer, USMS #255, located in the North one-half of Section 25, and 26, Township 9 South, Range 80 West, of the 6th Principal Meridian and within the City Limits of Leadville, Colorado. Site maps attached hereto.

- 2. Is the site of material extraction public or privately owned property? Private.
- 3. What type(s) of material is/are proposed to be extracted and describe the physical nature of the site i.e., river terrace, rocky knob, in-stream gravel deposit, etc.?

The material is the dredged up thick mud material from the mill tailing ponds at the old Homestead Milling Company property, i.e., the material is simply mill tailings on a site that needs to be Reclaimed for Leadville's use. When dried the material is about 100 mesh.

- 4. Will the extracted material be hauled offsite or used on the same parcel of property where the material is extracted? Hauled Off site to a remote location.
 - 5. What on site use will be made of the extracted material? None.
- 6. If the material is hauled offsite, where will it be hauled and what is the intended use? Hauled to Fernley, Nevada. Intended use is to recover any marketable minerals. The waste will be used to make building bricks.
- 7. What is the approximate area extent of the proposed extraction in acres? Nine point four acres (9.4 acres).
- 8. To what approximate depth will the extraction extend? The material pile is stacked high Above Ground. It will be taken all the way down. And possibly One to three feet below ground and above the water table, so that all material is removed.
- 9. In cubic yards, approximately how much material will be removed? Less than 70,000 cubic yards the first year.
 - 10. Will material extraction involve the use of explosives? No.

- 11. Will the site of extraction result in the exposure of tributary ground water? No. MTAA LTD, Apache, Is It Mining Page 1.
- 12. Will either the landowner or the mine site operator receive any type of compensation, i.e., monetary, in-kind, etc., from the proposed material extraction?

Hopefully there will be some marketable minerals recovered. The bricks will be sold.

- 13. Please supply a copy of any documents that will ensure that the area of extraction will be reclaimed to some beneficial land use once extraction activities have been completed. MTAA LTD has plans to donate the land to the City of Leadville for their planned use. The City has agreed to accept the donation.
- 14. Do you have permits for this activity from any other governmental agencies, and, if so, what are they? No.
- 15. Are there state/federal/local agency participants in terms of: funding (no), design (no).-What are the percentages? None
- 16. What *post mining* uses will be made of the site of extraction and why? (This question helps us determine the intent of the activity).

MTAA LTD has plans to donate the land to the City of Leadville for their planned use.

17. What types and sizes of equipment will be used in the extraction? A 980 Cat Loader or equivalent, semi-trailers.

If you have any questions or response, please contact me by phone at (360) 578-5958, or by e-mail at: mshm-r@scattercreek.com or by snail mail at 205 Oak Street, Kelso, WA., 98626.

Sincerely,

JESS E. MINIUM, JR.
Senior Consultant, MTAA LTD





