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To: [Cunningham, Michael](mailto:Cunningham.Michael@murphymining.com)
Cc: shannonpmurphy@msn.com; dcullity@murphymining.com
Subject: Final Permit Items Smuggler Gold Mine
Date: Friday, September 07, 2012 12:15:29 PM

Dear Michael,

I enjoyed our good phone conversation regarding the final items at the Smuggler Gold Mine prospecting operation.

For you information the cost for screened top soil at Pioneer Sand and Gravel in Boulder is \$ 26 per ton. The delivery charge for a 15 ton load from Boulder to the Smuggler Mine is \$ 150 per load. (Connie at Pioneer Sand 303 440-7625).

When I purchased the approved high altitude seed in 50 pound bags from Rocky Mt. Seed company it was \$ 400 per bag. We were going to broadcast this seed with a normal hand crank seed broadcaster. I spoke with Shannon. There is no need now for a concrete portal. Standard heavy duty MSHA approved timber sets will be installed with proper lagging and bracing. The timber will be painted with MSHA approved fire retardant paint and a heavy door will be constructed at the portal for security, access and safety matters. The small safety room, office and parts room is a portable steel container unit that can be loaded on a truck in a matter of minutes for removal. The tire mounted compressor is 100 percent portable and can be hooked up to a truck or loaded on a trailer for removal in a matter of minutes. The front end 3 yard loader is a Volvo and can be driven off the property in minutes as can the Link Belt track excavator. All of this is portable equipment. The work on the existing historic ponds was to secure them per MSHA requirements to prevent anyone from driving a vehicle into them. The small amount of work also improved the areas around the ponds to keep them from ever failing from a major weather event or natural catastrophe. Again, the ponds did not require cleaning or alterations. The small portable saw mill is helping with a fire abatement/tree thinning program in conjunction with the USFS. The small amount of timber generated from the environmental program will be used for the Smuggler Mine and the slash for firewood. This is a win/win project for the forest on our private property.

I hope this answers your questions and make sure to contact us with any other items should you have them.

Many thanks,
Tom Hendricks