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



September 19, 2012

Shannon Murphy Smuggler Gold Mine, LLC 100 West Bennett Ave. P.O. Box 661 Cripple Creek, CO 80813 John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Piñeda Director

RE: Smuggler Gold Mine; DRMS File No. P-2012-011; Financial Warranty Request

Dear Mr. Murphy,

The Division of Reclamation, Mining and Safety (Division) has completed the review of your Notice of Intent to Conduct Prospecting (NOI) application. Staff has determined, based on the projected costs of reclamation (copy enclosed), that the required financial warranty amount is \$17,200.00. A financial warranty in the amount of \$4,000.00 was submitted with your NOI application. Therefore, you must submit the remaining balance of \$13,200.00. This amount must be submitted to the Division by October 15, 2012, or the NOI file may be terminated.

If you have any questions, you may contact me at (303)866-3567 x8116.

Sincerely,

Michael A. Cunningham Environmental Protection Specialist

Enclosure: Financial Warranty Calculation

CC: Tom Kaldenbach, DRMS Barbara Coria, DRMS Tom Hendricks, Smuggler Gold Mine, LLC (via email)