STATE OF COLORA

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

October 1, 2012

Pat Palmer Palmer Pipe & Construction, LLC 381 Ute Junction Circle Durango, CO 81303



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Pineda

Fork Horn Mesa Subdivision, Permit M-2008-044, 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
- 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 ("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 \$323.00 fee is due for the following:

Permit: M-2008-044

Operation Name: Fork Horn Mesa Subdivision Anniversary Date:

November 18, 2012

Total Fee Due: \$323.00 (Due on or before your Anniversary Date)

Return the enclosed Annual Report FORM, a MAP, and a CHECK or MONEY ORDER 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 x8119 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.

110c Annual Report

Permittee Name:	Palmer Pipe &	Permit Number:	M-2008-044		
	Construction, LLC				
Operation Name:	Operation Name: Fork Horn Mesa		La Plata		
	Subdivision				
Annual Fee Due:	\$323.00	Anniversary Date:	November 18, 2012		
Permit Acreage:	3.85	Current Bond Amt:	\$3,523.00		

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.

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1.	1. Is the site identification sign posted in accordance with Rule 3.1.12(1).							Y	ES	NO			
2.	2. Is the affected area boundary clearly marked in accordance with Rule 3.1.12(2).							Y	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.					plete)'	? Y	ES	NO				
4.	4. What was the date of last excavation, processing or hauling activity at the mine?												
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.							Y	ES	NO			
6.	Has this mine b	een grante	′ .			ORARY CESSAT RMITTENT OPEI					ES ES	NO NO	
7.	Number of acre	es currently	affected	(mining + i	ncomp	olete and or unrelea	ased	reclamation)					
8.	Number of acre	es that were	e newly af	fected durir	ng the	current report year	r.						
9. Number of acres that were reclaimed during the current report year.													
10	. Estimated new	acreage to	be affecte	d in the nex	t repo	ort year.							
	Estimated acres Total acres in					nr. ermitted mining ac	tiviti	es began:					
	Total acres		Total acr	es		Total acres		Total	acres				
	backfilled:		seeded w	/		w/topsoil		mulch	ned w/				
		approved mix:				replaced:		approved					
Ī	Total acres		Total acr			Topsoil				ication			
	graded:		fertilized w/			replacement		rate (tons					
			apvd fert			depth (in.):		,		•			
	Seed		1	Fertilizer				Mulch					
	application			application	1			application					
	method:			method:				method:					

3. 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 exp	YES	NO	N/A				
15. Is the reserved tops If "NO" please exp	YES	NO	N/A				
	sed groundwater, is the site in comprmit, S.W.S.P., and/or Permanent A	11 01	lan and Off YES	ice of th NO	ne State N/A		
17. Are all hazardous r	YES	NO	N/A				
18. Is your financial wa	YES	NO	N/A				
19. Is your basis for leg	YES	NO					
20. Does your permit r If "Yes", please att	YES	NO	N/A				
·	tion of the acreages specified in item te the following permittee contact information: Pat Palmer				type or		
remittee contact.	Tut Tumor						
Permittee Company:	Palmer Pipe & Construction, LLC						
Address:	381 Ute Junction Circle Durango, CO 81303						
Phone Number:	(970) 946-5920						
Fax Number:							
Email Address:	CF.PR.email						
	eby state that the information provide ordance with the Division approved		e, and that	site ope	erations are		
Signature of <u>Permitte</u>	e, Corporate Officer, Owner, or I	Documented Designee	Date		_		