

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
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John W. Hickenlooper
Governor

Mike King
Executive Director

Loretta Piñeda
Director

October 2, 2012

Patrick C. Siglin
Black Range Minerals
110 N. Rubey Drive, Suite 201
Golden, CO 80403

**Re: Hansen Uranium Project, NOI File No. P-2009-025;
Modification Approval, Revision No. MD-02**

Dear Mr. Siglin:

On October 2, 2012 the Division of Reclamation, Mining and Safety approved the modification application submitted to the Division on July 18, 2012, addressing the following:

Increase prospect area and borehole size

The terms of the Modification No. 02 approved by the Division are hereby incorporated into NOI No. P-2009-025.

The revised estimated liability amount of \$154,936.00 exceeds the \$92,132.00 performance bond currently held. If you have not already done so, please submit additional bond in the amount of \$62,804.00. The revision will not be final until the bond is approved by the Division. Please see the enclosed cost summary sheet for the additional bond details related to the NOI modification.

If you have any questions, please contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tim Cazier".

Timothy A. Cazier, P.E.
Environmental Protection Specialist

Enclosure

cc: Tom Kaldenbach, DRMS
Stephanie Carter, BLM
Lee J. Alter, TAC Chairman
Kay M. Hawkle

Enclosure:

COST SUMMARY WORK

Task description: _____

Site: Hansen Uranium Project Permit Action: MD-02 - 15 extra drill holes Permit/Job#: P2009025

PROJECT IDENTIFICATION

Task #: M20 State: Colorado Abbreviation: None
Date: 10/2/2012 County: Fremont Filename: P025-M20
User: TC1

Agency or organization name: DRMS

TASK LIST (DIRECT COSTS)

Task	Description	Form Used	Fleet Size	Task Hours	Cost
M21	Recontour drill pads	DOZER	1	6.95	\$883.99
M22	Seed pads & roads	REVEGE	1	0.00	\$298.60
M23	Recontour roads	DOZER	1	5.65	\$718.05
M24	Backfill mud pits	EXCAVATE	1	1.92	\$156.00
M26	Well Abandonment	NA	15	0.00	\$53,487.00
<u>SUBTOTALS:</u>				14.52	\$ \$55,543.64

INDIRECT COSTS

OVERHEAD AND PROFIT:

Liability insurance:	2.02	Total =	\$1,121.98
Performance bond:	1.05	Total =	\$583.21
Job superintendent:	0.00	Total =	\$0.00
Profit:	10.00	Total =	\$5,554.36
		TOTAL O & P =	\$7,259.55
		CONTRACT AMOUNT (direct + O & P) =	\$62,803.19

LEGAL - ENGINEERING - PROJECT MANAGEMENT:

Financial warranty processing (legal/related costs):	0.00	Total =	0.00
Engineering work and/or contract/bid preparation:	0.00	Total =	\$0.00
Reclamation management and/or administration:	0.00		\$0.00

CONTINGENCY: 0.00 Total = \$0.00

TOTAL INDIRECT COST = \$7,259.55

TOTAL BOND AMOUNT (direct + indirect) = \$62,803.19