

OFFICERS:

Douglas B. Cleary CEO

George M. Moore Executive Vice President

Stephanie Charles Executive Assistant

Devin Giddens General Counsel/VP Land

> George W. Troutman VP Exploration

Kyle Hobbs Controller November 20, 2012

To: Russ Means Division of Reclamation, Mining, and Safety 101 S. 3rd Street, Suite 301 Grand Junction, Colorado 81501

Re: Martin Mesa, Notice of Intent (NOI) P-2008-058 Montrose County, Colorado Request of Release of Bond

DEC 0 6 2012 GRAND JUNCTION FIELD OFFICE

RECLAMATION MINING & SAFETY

Mr. Means:

Zenith Minerals, LLC has completed the drilling and reclamation as permitted under Notice of Intent P-2008-058. Zenith is requesting that the NOI be terminated and the bond released on this project. The bond amount being held by DRMS for this project (\$6,450) should be returned to Zenith at the address listed below.

Zenith Minerals, LLC completed the drilling and reclamation of the holes on the Martin Mesa Claims in December 2008. All of the drill sites and the accesses have been reclaimed.

The holes are shallow and all were drilled dry; no groundwater was encountered. The drill holes were backfilled with cuttings from the hole and plugged in the top few feet with pre- mixed concrete. The cuttings were shoveled down the hole until within 5' of the surface, concrete filled the hole to within 2' of the surface, soil and soil cuttings mix filled the hole to the top. The remaining cuttings were spread thin.

Many of the drill sites were on old pre-existing roads which required no cat work. Where roads were not utilized, the overland pathways used created little disturbance. No drill pads or pits were established. The area of each hole was raked to loosen compacted soils in order to enhance revegetation. The operator was instructed by the Uncompahgre Field Office BLM that seeding was not necessary because of the limited disturbance at each site.

DRMS and BLM inspected the project in June 2010. The inspection report stated the "reclamation of the project is noted as being accomplished very well", however; two holes were not reclaimed properly. Personnel went to the project in December 2010 to address the two holes that were reported as insufficiently reclaimed (F1-85-8 and F4-130-08). The first hole, F1-85-08, was reclaimed; the cuttings have been shoveled in, and none are visible. There was no subsidence in the apparent location of the drill hole and some sparse vegetation is showing. This hole is located on the north end of a long string of closely spaced holes that have all been reclaimed. Inspection of the other hole,

F4-130-08, found that the hole was not reclaimed in any way. This hole had been intentionally left open for a possible monitor well, should the project indicate continued or expanded activity would be economical. Personnel shoveled 90% of the cuttings into the hole, plugged the top few feet with concrete and blended the surrounding top soils over the top of the hole. A rock was placed to divert a small drainage away from the hole. Some seed was spread and raked in.

Zenith now believes that the entire project is completely and satisfactorily reclaimed.

The financial warranty remains in place in the amount of \$6,450 and is more than adequate to perform any additional reclamation of the prospecting disturbance, if any should be discovered as needed.

If DRMS wishes to discuss the request with Zenith personnel, please contact Devin Giddens at (405) 657-1106 or <u>dgiddens@clearypetroleum.com</u>. Thank you for your attention to this matter.

Surface Landowner is: Bureau of Land Management, Uncompahgre Field Office 2505 South Townsend Montrose, CO 81401

I, Devin Giddens, V.P. of Cleary Petroleum Corporation acting on behalf of Zenith Minerals, LLC, certify that all reclamation requirements of the prospecting notice have been satisfied.

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Attest

Respectfully,

Devin Giddens Vice President Cleary Petroleum Corporation obo Zenith Minerals, LLC