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

January 2, 2013

Steve Palmer High Mountain Mining Co., LLC 3040 S. Vallejo Street Englewood, CO 80110



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Pineda Director

Alma Placer Mine, Permit M-1985-029, 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
- 2. 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 (the "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 \$633.00 fee is due for the following:

Permit: M-1985-029 Operation Name: Alma Placer Mine Anniversary Date: February 22, 2013

Total Fee Due: \$633.00 (Due on or before your Anniversary Date)

Return the enclosed <u>Annual Report FORM</u>, a <u>MAP</u>, and a <u>CHECK</u> or <u>MONEY ORDER</u> 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.

112 Annual Report

Permittee Name:	High Mountain Mining Co., LLC	Permit Number:	M-1985-029
Operation Name:	Alma Placer Mine	County:	Park
Annual Fee Due:	\$633.00	Anniversary Date:	February 22, 2013
Permit Acreage:	216.10	Current Bond Amt:	\$200,878.00

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.

				1 1 2		•					
1.	Is the site identi	te identification sign posted in accordance with Rule 3.1.12(1).								YES	NO
2.	Is the affected area boundary clearly marked in accordance with Rule 3.1.12(2).							YES	NO		
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.						ete)?	YES	NO		
4.	What was the date of last excavation, processing or hauling activity at the mine?										
5.	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.								YES	NO	
6.	a) approval of TEMPORARY CESSATION Status? b) approval for INTERMITTENT OPERATION?								YES YES	NO NO	
7.	Number of acre	s currently affo	ected (mining + inco	mple	ete and or unrelea	sed re	clamation).			
8.	8. Number of acres that were newly affected during the current report year.										
9.	Number of acre	s that were rec	laimed	d during the cu	rren	t report year.					
10.	Estimated new a	acreage to be a	ffecte	d in the next re	port	year.					
11.	Estimated acres	to be reclaime	ed in th	ne next report	year.						
12	Total acres in s	various stages i	of recl	amation since	neri	mitted mining act	ivities	hegan.			
Γ	Total acres		al acre		реп	Total acres	1 11100	Total ac	cres		
	backfilled:		ded w			w/topsoil		mulche			
			roved			replaced:			ed mulch:		
	Total acres			Topsoil			application	ı			
	graded:	fert	ilized	w/		replacement		rate (to	• •		
		apv	d ferti	lizer:		depth (in.):		, i	•		
Ī	Seed			Fertilizer			M	ulch		•	
	application			application			ap	plication			
	method:			method:			m	ethod:			

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 ex	YES	NO	N/A			
15. Is the reserved top: If "NO" please exp	YES	NO	N/A			
16. If mining has expo Engineer (Well Pe	lan and Off YES	ice of the	he State N/A			
17. Are all hazardous i	YES	NO	N/A			
18. Is your financial w	YES	NO	N/A			
19. Is your basis for le	YES	NO				
20. Does your permit If "Yes", please att	YES	NO	N/A			
Division records indica print <u>current</u> contact in Permittee Contact:	O 1	information. If this information is r	not current,	please	type or	
Permittee Contact: Permittee Company:	Steve Palmer High Mountain Mining Co.,					
	LLC					
Address:	3040 S. Vallejo Street Englewood, CO 80110					
Phone Number:	(303) 806-8487					
Fax Number:	(303) 806-9635					
Email Address:	CF.PR.email					
	eby state that the information provide ordance with the Division approved	ded in this report is true and accurat d mining and reclamation plans.	e, and that	site ope	erations are	
Signature of <u>Permitte</u>	ee, Corporate Officer, Owner, or	Documented Designee	Date		_	