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



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Piñeda Director

January 17, 2013

Mr. Paul Martin DGMC 125 W Main St Farmington, NM 87401

Re: Incas Mine, Permit No. M-1986-076, Annual Report and Inspection Minor Infraction, Incomplete ACTION REQUIRED

Dear Mr. Martin:

The Division of Reclamation, Mining, and Safety (Division) cited a problem on an inspection report of the Incas Mines on November 8, 2012; indicating that a request to put the site into Temporary Cessation or a proposal of how mining activities will be recommenced at the site in the upcoming mining season must be submitted to the Division by December 31, 2012. Neither of these was received by the Division. The Division received your annual fee and report for the above site on January 10, 2013. The question, "What was the date of last excavation, processing or hauling activity at the mine," was not adequately addressed in the report. The comment written on the report states, "Material was moved to determine Pay Streak in existing excavated area." This does not reflect when the last date of these activities occurred at the site and is not applicable to the type of mine contained within the permit area, as Pay Streaks are related to gold panning. Please respond to this question contained on the annual report, and complete the corrective actions related to the inspection report by January 31, 2013. Failure to comply with these issues may result in enforcement action.

If you have any questions, please contact me at (970) 259-5861.

Sincerely,

Kate A. Pickford Environmental Protection Specialist