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February 20, 2013

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GRAND JUNCTION FIELD OFFICE
DIVISION OF
RECLAMATION MINING & SAFETY

Mr. Travis Marshall
Environmental Protection Specialist
Department of Natural Resources
Colorado Division of Reclamation, Mining and Safety
Grand Junction Field Office
101 S. Third St., Suite 301
Grand Junction, CO 81501

Re: SM-18 Mine, Permit No. M-1978-116, Response to Comments from Colorado Parks &

Wildlife

Dear Mr. Marshall:

I am writing in response to your letter dated December 6, 2012, which requests that Cotter Corporation (N.S.L.) ("Cotter") inform the Division of Reclamation, Mining and Safety ("Division") of how it will respond to the jurisdictional issues presented by the Colorado Parks & Wildlife ("CPW") in its memorandum, dated November 21, 2012, to the Division, regarding Cotter's 112d Amendment Application for the SM-18 Mine.

Cotter does not see any jurisdictional issues in the DWR's comments. If the Division believes that such issues exist, please contact me so that Cotter can evaluate whether it needs to prepare an additional response.

Cotter nonetheless wishes to respond to several non-jurisdictional issue raised by the CPW in its letter.

Cotter proposes limiting ore haulage activities from the site between the months of December-April to 10:00 am-3:00 pm. Cotter will confer with CPW to determine reasonable off-site mitigation efforts that could be done to offset the impacts to wintering big game in the immediate vicinity of the mine site.

Cotter will minimize re-entry into bat winter roosting sites during hibernation season, and will construct exclusions to prevent the entry and use of the site by bats.

Cotter proposes using existing roads for mine and venthole access as much as possible, and minimizing the creation of new roads unless necessary.

Cotter currently checks for and does weed control at the SM-18 property on a frequent basis, and will continue these efforts as this mining effort continues.

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Cotter does not anticipate any discharge of water from the mine, and with the existing and proposed stormwater controls for the surface facilities, Cotter believes that there is minimal potential negative impacts to the fish species mentioned.

If you have questions regarding this submittal, please call me at Cotter's Nucla office, 970-864-7347.

Respectfully,

Glen Williams

Vice President, Mining Operations