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

March 1, 2013

Alan Chiles Rimrock Exploration & Development, Inc. P.O. Box 430 Nucla, CO 81424



John W. Hickenlooper Governor

Mike King Executive Director

Loretta E. Pineda

J Birds, Permit M-2005-050, 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. <u>APPROPRIATE ANNUAL FEE</u>
- 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 \$518.00 fee is due for the following:

Permit: M-2005-050
Operation Name: J Birds
Anniversary Date: April 19, 2013

Total Fee Due: \$518.00 (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.

110d Annual Report

Permittee Name:	Rimrock Exploration & Development,	Permit Number:	M-2005-050
	Inc.		
Operation Name:	J Birds	County:	Montrose
Annual Fee Due:	\$518.00	Anniversary Date:	April 19, 2013
Permit Acreage:	7.50	Current Bond Amt:	\$17,146.00

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.	Is the site identi	ification sign	cation 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.	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.								te)?	YES	NO		
4.	What was the date of last excavation, processing or hauling activity at the mine?												
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.	Has this mine been granted: a) approval of TEMPORARY CESSATION Status? b) approval for INTERMITTENT OPERATION?							YES YES	NO NO				
7.	Number of acre	es currently a	ffected	(mining +	incor	nplet	te and or unrelea	ased 1	reclamatio	on).			
8.	Number of acre	es that were n	newly af	fected dur	ring th	ne cu	rrent report year	r.					
9.	Number of acre	es that were r	eclaime	d during t	he cur	rrent	report year.						
10.	. Estimated new	acreage to be	e affecte	d in the n	ext rej	port :	year.						
11.	. Estimated acres	s to be reclain	med in the	he next re	port y	ear.							
12.	. Total acres in v	various stage	es of recl	lamation.	since	perm	nitted mining act	tivitie	es began:				
Γ	Total acres		otal acr				Total acres			tal acre	es		
	backfilled:		eeded w				w/topsoil			lched			
			pproved				replaced:				l mulch:		
-	Total acres	cres Total acres			Topsoil	Mulch app							
	graded:				replacement rate (tons):								
	6		pvd fert				depth (in.):			. (,		
	Seed		<u>. </u>	Fertilize	r		• • •	N	Mulch				
	application			applicati	on			a	application	n			
	method:			method:					method:				

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 exp	YES	NO	N/A				
15. Is the reserved tops If "NO" please exp	YES	NO	N/A				
	sed groundwater, is the site in co mit, S.W.S.P., and/or Permanent	impliance with the approved mining plat Augmentation Plan)?	an and Off YES	ice of the	he State N/A		
17. Are all hazardous r	YES	NO	N/A				
18. Is your financial wa	YES	NO	N/A				
19. Is your basis for leg	gal right to enter still valid?		YES	NO			
20. Does your permit r If "Yes", please att	YES	NO	N/A				
boundary and locat	ion of the acreages specified in it te the following permittee contact	accurately depicts the permit boundary tems 7- 12 and 14. UPDATED MAP of the information is not information is not information.	ATTACHE	ED:			
Permittee Contact:	Alan Chiles						
	Takan Canada						
Permittee Company:	Rimrock Exploration & Development, Inc.						
Address:	P.O. Box 430 Nucla, CO 81424						
Phone Number:	(970) 417-1239						
Fax Number:	(970) 864-7263						
Email Address:	CF.PR.email						
		vided in this report is true and accurate wed mining and reclamation plans.	e, and that	site ope	erations are		
Signature of Permitte	e, Corporate Officer, Owner, o	or Documented Designee	Date				