

POWERTECH (USA) INC. ✓

September 15, 2008

Allen C. Sorenson
Senior Environmental Protection Specialist
Division of Reclamation, Mining and Safety ✓
1313 Sherman Street, Room 215
Denver, Colorado 80203

ACS ✓

NON CONFIDENTIAL

RE: ✓
Request for Modification to Notice of Intent (NOI) File No. P-2008-043 ✓
Centennial Uranium Project
Weld County, Colorado

RECEIVED

(SEP 16 2008) ✓

Division of Reclamation,
Mining and Safety

Dear Mr. Sorenson:

Powertech (USA) Inc. (Powertech) is requesting to make modifications to the Notice of Intent (NOI) File No. P-2008-043 to Conduct Prospecting in connection with the Centennial Uranium Project in Weld County, Colorado (the Project). The initial NOI was submitted to the Colorado Division of Reclamation and Mining Safety (DRMS) on June 23, 2008 and the final Authorization to Proceed was granted on August 27, 2008 by the DRMS.

Approved activities covered under NOI File No. P-2008-043 include:

- Install two (2) groundwater monitoring wells for baseline environmental data collection.
- Advance eight (8) exploration boreholes to delineate uranium resource in the project area.

Additional activities proposed within this modification include:

- Install fifteen (15) groundwater monitoring wells for baseline environmental data collection.
- Advance one (1) exploration borehole/core to delineate uranium resource in the project area.

Please find the enclosed confidential and public DRMS application forms and attachments for NOI modification. Powertech is hereby requesting that the DRMS review and approve NOI modifications to file number P-2008-043.

If you have any questions or require additional information, please feel free to contact Richard Blubaugh at (303)790-7528 or Michael Beshore at (970)556-5988.

Sincerely Yours,

Richard E. Blubaugh
Vice President-Environmental Health & Safety Resources

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



Form 2 Public information only For public filing

NOTICE OF INTENT TO CONDUCT PROSPECTING OPERATIONS **FOR HARD ROCK/METAL MINES**

Bill Ritter, Jr.
Governor

Harris D. Sherman
Executive Director

Ronald W. Cattany
Division Director
Natural Resource Trustee

GENERAL:

To conduct prospecting activities in the State of Colorado, a person or organization must file a Notice of Intent to conduct Prospecting Operations (NOI or Prospecting Notice) and provide a financial warranty for the prospecting operations to the Mined Land Reclamation Board (MLRB or Board). All prospecting operations must comply with the Colorado Mined Land Reclamation Act, as amended (34-32-101 et seq. C.R.S.), and the Colorado Mined Land Reclamation Board Hard Rock/Metal Mines Rules and Regulations 2 CCR 407-1 and amendments to those rules ("Rules"). This NOI form is for all minerals except coal and construction materials. The Division shall determine (where there is a question) if an operation is prospecting or mining.

The New Law:

Senate Bill (SB) 228 became law on June 2, 2008.

SB 228 revised portions of C.R.S. 34-32-113 pertaining to confidentiality and filing requirements of Prospecting Notices.

Certain aspects of Prospecting Notices will no longer be confidential.

As revised, C.R.S. 34-32-113 (3) now requires, in part, that "All information provided to the Board in a notice of intent to conduct prospecting or a modification of such a notice is a matter of public record subject to the Open Records Act, Part 2 of Article 72 of Title 24, C.R.S., including, in the case of a modification, the original notice of intent; except that information relating to the mineral deposit location, size, or nature and, as determined by the Board, other information designated by the operator as proprietary or trade secrets or that would cause substantial harm to the competitive position of the operator shall be protected as confidential information by the Board and shall not be a matter of public record in the absence of a written release from the operator or until a finding by the Board that reclamation is satisfactory. Such information designated as exempt shall remain confidential until a final determination by the Board". If the Board determines that information is not confidential, the Division shall treat it as public information thirty (30) days from the Board's written order.

C.R.S. 34-32-113 (9) now requires that the applicant provide the NOI in an electronic version in addition to the paper form and that DRMS post on the Division's website the NOI upon submittal. Specifically, this subsection states: "Upon the submittal of a notice of intent to conduct prospecting or a modification of such a notice, the person submitting such notice or modification shall give an electronic version of the notice or

modification, except for that information exempted from public disclosure under subsection (3) of this section and that information designated by the person as exempt from disclosure under subsection (3) of this section, to the Board in a format determined by the Board. The Division shall post such version of the notice or modification on its web site”.

The new requirements apply to NOIs or modifications thereto submitted or approved on or after June 2, 2008.

DEFINITION:

“Prospecting” is defined in Rule 1.1(43) of the Hard Rock/Metal Mining Rules and Regulations as the act of searching for or investigating a mineral deposit. “Prospecting” includes, but is not limited to, sinking shafts, tunneling, drilling core and bore holes and digging pits or cuts and other works for the purpose of extracting samples prior to the commencement of development or extraction operations, and the building of roads, access ways, and other facilities related to such work. The term does not include those activities which cause very little or no disturbance, such as airborne surveys and photographs, use of instruments or devices which are hand-carried or otherwise transported over the surface to make magnetic, radioactive, or other tests and measurements, boundary or claim surveying, location work, or other work which causes no greater land disturbance than is caused by the ordinary, lawful use of the land by persons not prospecting. The term does not include any single activity which results in the disturbance of a single block of land totaling 1600 square feet or less of the land surface, not to exceed two such disturbances per acre; except that the cumulative total of such disturbances will not exceed five acres statewide in any prospecting operation extending over 24 consecutive months” (*Rule 1.1.43*).

APPLICATION FEE: \$86

NOIs require a **\$86** fee, which must accompany this notice or it cannot be processed by the Division (*C.R.S. 34-32-127(2) (a) (I) (K)*).

RECOMMENDATIONS PRIOR TO FILING:

The Hard Rock/Metal Mining Rules and Regulations, the Colorado Mined Land Reclamation Act 34-32-101 and the Colorado Mined Land Reclamation Board regulate the filing, operational and reclamation requirements for prospecting operations in Colorado. It is your obligation to comply with the Act and Regulations. You are encouraged to obtain and review a copy of the Rules, available from the Division or accessed on line at www.mining.state.co.us. In order to file your NOI properly it is recommended that you review the Act and;

- Rule 1.1 Definitions
- Rule 3.1 Reclamation Performance Standards
- Rule 3.3.1 Operating without an NOI - Penalty
- Rule 4 Financial Warranties
- Rule 5 Prospecting Requirements

FILING REQUIREMENTS:

If you plan to conduct prospecting on any lands in Colorado, you must provide all information described in this form. To file an NOI, submit the following:

- One (1) signed and completed NOI form with maps and attachments (original signatures must be done in blue ink);
- One (1) unbound copy of the original NOI form with maps and attachments;
- Application fee; and
- Financial Warranty and applicable warranty form.
- New and additional filings required for SB 228 confidentiality designations.

New and Additional NOI Filing Requirements for Confidentiality Designations:

1. Applicants of NOIs must specifically designate each portion of the submittal that the applicant believes should be confidential. This designation must comply with the provisions of SB228 as discussed above and should include not only information relating to the mineral deposit location, size, or nature but also other information the applicant believes is proprietary or trade secrets or that would cause substantial harm to the competitive position of the applicant. The applicant should distinguish in the submittal between those portions of the NOI that are confidential because they relate to the mineral deposit and those portions that the applicant believes are proprietary, trade secret or harmful to its competitive position. Those portions of the submittal that are not designated as confidential will be available as public record

2. The applicant must submit two separate forms. One form will contain all information, including both public and confidential information (with the confidential information designated as such). This complete form will be used by the DRMS for review and will be held as confidential.

The second form will contain only the information the applicant believes is public with the applicant redacting all information to be held as confidential.

3. The submittals must be provided in both paper and electronic format.

4. All public portions of the submittal will be made available on the Division website and in the Division's public files.

5. All portions of the submittal that are confidential by law, or as designated by the prospector, will remain secured from public access, *i.e.*, not on the website and not in the Division's public files. If the Board rules that some portion of the file should be public, then that portion will be made available and no longer held from public view.

PROCESSING REQUIREMENTS:

The Division will review the NOI and associated Financial Warranty information within twenty (20) working days of receipt by the Division. If the prospector has not been notified of any deficiencies of the NOI Form within twenty (20) working days of receipt, prospecting operations may commence upon approval of the financial warranty. The Prospector has 60 days from the date of filing to correct any deficiencies. For activities on BLM or USFS Lands, the twenty (20) working-day period begins on the day when the appropriate Federal Land Management agency has been notified by the Prospector (see below). Incomplete NOI forms will be terminated and returned to the person or organization, if deficiencies are not corrected within 60 days of filing (*Rule 5.1.3*).

The New Review Process Regarding Confidentiality Designations

Hard Rock Rule 5.1.3 (Office Review) will apply. This rule will guide office review of determinations regarding confidentiality designations. The Division will review the submittal for technical adequacy as stated above, including the review of the submittal in regard to information the applicant has designated as confidential. If the Division identifies any deficiencies in the submittal including any disagreement regarding the designation of confidential materials, then the prospector will be notified by the Division within 20 working days of NOI receipt.

Disputes relating to designation of confidentiality may be resolved by the Prospector removing the confidentiality designation by the Prospector or by Board determination. If the Prospector chooses to request a Board determination regarding confidentiality, then the Prospector must request a Board hearing and determination within the 30 days following Division notification of the Division's disagreement as to any confidentiality designation. The request for determination will follow the procedures of Rule 1.4.11, and any Board hearing will be held in Executive Session since issues of confidentiality will be at issue. The DRMS will not issue an approval decision and the applicant is not authorized to commence prospecting operations until all deficiencies, including confidentiality issues, are resolved.

PROSPECTING ON FEDERAL LAND:

The Division has entered into cooperative agreements with the U.S. Bureau of Land Management (BLM) or the U.S. Forest Service (USFS) to coordinate the review of NOIs and the posting of financial warranties. The primary goal is to ensure that the agencies minimize duplication of functions and thereby minimize regulatory duplication imposed upon prospecting operations. The Division assumes the primary responsibility for the administration, review, and permitting of NOIs. The prospector is required to document that the NOI has been sent to the BLM or the USFS. Upon receipt of the NOI, the Division will notify the appropriate BLM or USFS office and forward a copy of the NOI. Processing of the NOI will not begin until the prospector has submitted evidence acceptable to the Division that the NOI was sent to the BLM or USFS.

FINANCIAL WARRANTY:

A financial warranty must be provided and approved prior to the entry upon lands for the purpose of prospecting. The prospector can either file a "One Site Prospecting Financial Warranty" or a "Statewide Prospecting Financial Warranty." The One Site Prospecting Financial Warranty is usually filed by individuals or small companies where prospecting activities are limited to a single area. It must be filed in the amount of \$2,000 per acre for the land to be disturbed, or such other amount as determined by the Division, based on the projected costs of reclamation, taking into account the nature, extent, and duration of the prospecting operation and the magnitude, type and estimated cost of the planned reclamation. A Statewide Financial Warranty is usually filed by larger companies with multiple prospecting sites. It must be filed in an amount equal to the estimated cost of reclamation per acre of affected land for all anticipated sites statewide. (You may increase the Statewide bond at any time in order to cover additional or expanded prospecting activities.) **The financial warranty must be submitted and approved by the Division prior to entry upon lands for the purpose of prospecting.** The financial warranty will be retained by the Board until the prospector has completed reclamation of the prospecting site and has been released, in writing, of reclamation responsibility. Financial warranty forms can be downloaded from the Division's Internet web page located at mining.state.co.us.

PLAN MODIFICATIONS:

Modifications to an existing NOI must be submitted in writing and approved in advance of such activity. Modifications shall be reviewed by the Board or Office in the same manner as new NOIs, use the same NOI form, and include confidentiality designations. Prospectors must fill out sections of the NOI form that will change and indicate the sections that will not change. Prospectors must designate each portion of the modified NOI they believe are to remain confidential. Please note that under SB 228, all information provided to the Board in an NOI or a modification of an NOI is a matter of public record including, in the case of a modification, the original notice of intent, unless that information relates to the mineral deposit location, size, or nature or is designated by the Prospector as proprietary or trade secrets or that would cause substantial harm to the competitive position of the Prospector. Accordingly, the Prospector should also designate the information in the original NOI that it believes is confidential if it has not already done so.

The Board shall determine (where there is a question) if an NOI can be modified or requires the filing of a new NOI in accordance with Rule 1.4.11. If the Division determines that the proposed modification (or new NOI) requires the posting of an additional reclamation bond amount to cover increased costs of reclamation caused by the modification (or new NOI), the NOI holder must submit and the Division must approve the supplemental or additional bond to cover such increased reclamation costs before the NOI holder may undertake any additional or different activities described in the modification

(or new NOI). A separate prospecting notice shall be filed with the Office for each non-contiguous land survey quarter section in which a proposed prospecting activity is to occur. The requirement for separate notices may be waived by the Office for good cause (*Rule 5.1.1*).

ANNUAL REPORTS:

Annual Reports are required for all active prospecting operations effective on December 31, 2006. **By December 31 of each year that the NOI is in effect, the prospector must file an annual reclamation report detailing the exploration and reclamation activities that occurred during that year and whether prospecting has been completed.** For the purpose of reporting prospecting activities, the reporting year shall begin on November 1 and end on October 31. **The report must be accompanied by an annual fee in the amount of \$86.**

RECLAMATION:

Reclamation shall be completed in a timely manner and within five (5) years of completion of prospecting activities. The time period to complete site reclamation commences on the date that prospecting has been completed, as stated in the Annual Report (*Rule 5.1.2(g)*). New or significantly upgraded roads, structures, or other features on private lands that are planned to be retained following prospecting may be identified in the NOI submittal and may be excluded from the financial warranty amount at the discretion of the office. The prospector must submit a notarized letter from the landowner requesting that the roads, structures or other features remain on site and demonstrate that it meets the applicable County zoning and code requirements.

RELEASE OF FINANCIAL WARRANTY AND TERMINATION OF THE NOI:

Upon completion of any phase of reclamation, you should consult Rule 3.1 for reclamation standards and Rule 4.15 for details on how to request a reclamation responsibility release from the MLRB. Following the completion of reclamation, the prospector may request a release of the reclamation responsibility sent by certified mail. The Division will conduct an inspection within 30 days of receiving the request (or as soon thereafter as weather conditions permit). If the operation is located on Public Land or State Land, the Division will coordinate the inspection with the appropriate land management agency (*Rules 3.1 and 4.1.5*).

COMPLIANCE WITH OTHER LAWS:

Compliance with the Act and Rules and Regulations of the Mined Land Reclamation Board does not relieve you of responsibility to comply with all other applicable local, state and federal laws. We recommend that you contact the following agencies and any others to determine whether you need to comply with their legal requirements:

- The Colorado State Historical Preservation Office regarding properties of potential historical significance;
- Colorado Division of Water Resources regarding water rights;
- Colorado Department of Public Health and the Environment, Water Quality Control Division, regarding the potential to discharge pollutants into the State waters;
- Colorado Department of Public Health and the Environment, Air Pollution Control Division, with regard to the potential need for a fugitive dust permit;
- U.S. Bureau of Land Management or the U.S. Forest Service if the proposed operation is on federal lands;
- U.S. Army Corps of Engineers regarding a dredge and fill (404) permit; and
- The County Planning Department for the county or counties in which the proposed operation is located.

AUTHORIZED SIGNATURE:

You, or a person authorized by you, must sign the NOI. By doing so you are stating that the information provided in the NOI is true and correct as of the date specified. For individuals, the NOI must be signed by the NOI holder or the person authorized to sign on the NOI holder's behalf. For companies or partnerships, the NOI must be signed by a person acting under the company's/partnership's express or implied authority, or by an authorized agent.

SUBMIT COMPLETED NOIs TO ONE OF THE OFFICES BELOW:

Denver Office (main):
Division of Reclamation, Mining and Safety
1313 Sherman St., Rm. 215
Denver, CO 80203
Telephone: 303.866.3567
FAX: 303.832.8106

Grand Junction Field Office:
Division of Reclamation, Mining and Safety
101 South 3rd, Ste. 301
Grand Junction, CO 81501
Telephone: 970.243.6368
FAX: 970.241.1516

Durango Field Office:
Division of Reclamation, Mining and Safety
701 Camino Del Rio, Rm. 125
Durango, CO 81301
Telephone: 970.247.5469
FAX: 970.247.5104

Office hours are Monday to Friday, 8:00 a.m. to 5:00 p.m., excluding State Holidays.

Form 2 (Public File)
NOTICE OF INTENT TO CONDUCT PROSPECTING OPERATIONS
FOR HARD ROCK/METAL MINES

CHECK ONE: _____ **There is an NOI Number Already Assigned to this Operation**
NOI# P- _____ (Please reference the file number assigned to this operation)
_____ **New NOI**
 Modification to an Existing NOI
NOI# P- 2008-043 (Provide for **Modifications** to an existing NOI)

GENERAL OPERATION INFORMATION

Type or print clearly, in the space provided, **ALL** information described below.

I. GENERAL INFORMATION

1. **DATE NOI RECEIVED BY THE DIVISION:** _____ (office use only)
2. **PROJECT NAME:** Centennial Uranium Project, Weld County, CO
3. **PROSPECTOR:** _____ **PERSON MLRB SHOULD CONTACT:** _____
Name: Richard Blubaugh Name: Richard Blubaugh
Title: V.P. EH&S Resources Title: V.P. EH&S Resources
Company Name: Powertech (USA) Inc. Company Name: Powertech (USA) Inc.
Street: 5575 DTC Pkwy, Suite 140 Street: 5575 DTC Pkwy, Suite 140
P.O. Box: _____ P.O. Box: _____
City: Greenwood Village City: Greenwood Village
State: Colorado State: Colorado
Zip Code: 80111 Zip Code: 80111
Telephone Number: (303) 790-7528 Telephone Number: (303) 790-7528
Fax Number: (303) 790-3885 Fax Number: (303) 790-3885
4. **APPLICATION FEE:** \$86. (NOIs require a \$86 fee which must accompany this notice or it cannot be processed by the Division).
5. **LOCATION INFORMATION:**
County: Weld
PRINCIPAL MERIDAN (check one) 6th (Colorado) _____ 10th (New Mexico) _____ (Ute)
SECTION (write number): S _____

TOWNSHIP (write number and check direction) T _____ North _____ South _____

RANGE (write number and check direction) R _____ East _____ West _____

QUARTER SECTION (check one): _____ NE _____ NW _____ SE _____ SW

QUARTER/QUARTER SECTION (check one): _____ NE _____ NW _____ SE _____ SW

GENERAL DESCRIPTION: (the number of miles and direction to the nearest town and the approximate elevation):

Approximately 7 miles southeast to the town of Nunn, Colorado.

Approximate elevation of prospecting location = 5600 feet.

NOTE: Supply longitude and latitude or UTM coordinates if lands have not been surveyed or as supplemental information to this NOI. GPS measurements will be acceptable for this purpose: See Attachment A

6. **LAND OWNERSHIP**

Private Public Domain (BLM) _____ National Forest (USFS) _____
State _____ State Sovereign Lands _____ Other (please describe): _____

If prospecting is located on BLM or USFS land the remaining section must be completed, otherwise go to section II Maps & Drawings

7. **PROSPECTING ON BUREAU OF LAND MANAGEMENT (BLM) LAND AND U.S. FOREST SERVICE (USFS) LAND**

The Division and the BLM/USFS have entered into cooperative agreements that eliminate the need for a prospector to post a financial warranty with each agency and allow them to coordinate the review of the NOI in order to minimize administrative processing time and effort.

A. **CLAIMANT:**

Name: N/A

Address: _____

Telephone: _____

Fax Number: _____

B. **SITE/CLAIM INFORMATION:**

List names, serial numbers and provide legal description to nearest quarter-quarter section of all sites or claims (attach additional page, if necessary).

<u>NAME</u>	<u>SERIAL NUMBER</u>	<u>LEGAL DESCRIPTION</u>
<u>N/A</u>		

C. **LOCATION MAP:** Attach a USGS 7.5 minute quad, or similar map of adequate scale, which locates the prospecting site(s). N/A

D. Are prospect sites (e.g., drill holes, trench locations, etc...) staked on the ground? Yes _____ No _____ N/A

E. Specify the Land Management Agency, Address and Telephone Number:

N/A

F. The prospector is required to document that the NOI has been sent to the BLM or the USFS. Processing of the NOI will not begin until the prospector has submitted evidence acceptable to the Division that the NOI was sent to the BLM or USFS. Check one: N/A

- Evidence of notification is attached to this NOI for BLM Land
- Evidence of notification is attached to this NOI for USFS Land.
- Other proof of notice is attached to this NOI

II. MAPS & DRAWINGS

Accurate topographic base map showing the location of the proposed project must be submitted with this notice. The prospector may submit a U.S.G.S. 7.5 minute quadrangle, or similar map of adequate scale that: Refer to Attachment B

1. identifies the proposed prospecting site(s) or activity areas involving surface disturbance. Activity areas include all drill holes, mud pits, excavations, trenches, adits, shafts, tunnels, rock dumps, stockpiles, impoundments and prospecting roads, and
2. includes sufficient detail to identify and locate known prospecting features and facilities that may be affected and those that are not anticipated to be affected. This includes the location of all drill holes, mud pits, excavations, trenches, adits, shafts, tunnels, rock dumps, stockpiles, impoundments and prospecting roads. Color photographs, adequately labeled (including date, orientation and location), of the prospecting site may be used to fulfill this requirement if included with the NOI submittal.

III PROJECT DESCRIPTION

1. Mineral(s) and/or Resource(s) being Investigated: Groundwater & Uranium
2. Estimated dates of commencement and completion:

Commencement: <u>October 15th, 2008</u>	Mud Pit = 87.75 cubic yards
Completion: <u>October 15th, 2009</u>	Plugging Pit = 18.0 cubic yards
	Total Mud Pits = 16
	Total Plugging Pits = 1
	<u>Total = 1,422 cubic yards</u>
3. Amount of material to be extracted, moved or proposed to be moved:
4. Identify the type or method of prospecting proposed and quantity (place an "X")

<input type="checkbox"/> Cuts	<input type="checkbox"/> Pits	<input type="checkbox"/> Trenches	
<input type="checkbox"/> Shafts	<input type="checkbox"/> Tunnels	<input type="checkbox"/> Adits	<input type="checkbox"/> Declines
<input type="checkbox"/> Air Drilling	<input checked="" type="checkbox"/> Fluid Drilling	<input type="checkbox"/> Drilling & Blasting	

5. Describe proposed surface excavation or other land disturbance, including roads, pits, trenches, waste piles, drill pads and collar areas of underground workings, ponds, etc...
Groundwater monitoring wells and exploration boreholes will be installed using mud-rotary drilling methods. A back-hoe excavated pit will be used for mud circulation and to collect drill cuttings for monitoring well installation. An additional plugging pit to mix fluids will be used for borehole abandonment. Refer to Attachment C for excavated pit design criteria.

6. **Proposed Disturbance** (approximate) Describe the proposed drilling to be conducted, including anticipated number of holes, diameter, depth, location, etc... Submit additional pages if necessary:

A. Drill Pads: Quantity 9 Average Width 80 (ft) Average Length 100-200(ft)

B. Drill Holes: Quantity 16 Depth 200-695 (ft) Diameter 10.5 (in)

C. Mud Pits: Quantity 16 Average Width _____ (ft) Average Length _____ (ft)
Average Depth 10 (ft) Refer to Attachments C & D for mud pit/
plugging pit & drill pad disturbance details.
Described proposed underground work, including reopening of old workings, advancement of adits or shafts,

trenches, pits, cuts, rock dumps, or other types of disturbance, describe type, quantity and general dimensions:

Prospecting activities will consist of 15 groundwater monitoring wells and 1 exploration borehole/core. Groundwater wells will consist of a 10.5" hole completed with 6" schedule 40 (SDR-17) PVC casing and exploration borings will be 6.5" in diameter. All groundwater monitoring wells will be constructed in accordance with State of Colorado standards.

D. Other Disturbances (please describe):

None.

E. Indicate Chemicals and Fuels used or stored on site. List type, quantity and method to store.

None.

F. New Road(s): Length _____ (ft) Width _____ (ft)

Significantly Upgraded Road(s) Length _____ (ft) Width _____ (ft)

Are culverts or other crossings proposed? If so, please describe: _____

None. No new roads are planned. Access to the sites will be from adjacent existing roads. Only minor damage to existing vegetation may occur during these activities.

G. Total project area to be disturbed 2.605 (acres)

H. Describe the equipment to be used for the prospecting operations:

Backhoe - To excavate the mud pits.

Drill Rig - To drill exploration boreholes and boreholes for
construction of the groundwater monitoring wells.

I. Describe and locate any structures to be constructed (i.e. stockpiles, ponds, impoundments):

Refer to Attachment C for layout of stockpiled soils.

J. Describe anticipated relationship to surface water and groundwater (proximity to streams, penetration of ground water aquifers):

Surface Water - Sites are located away from drainages and existing
surface water bodies.

Groundwater - All exploration boreholes and monitoring wells will
penetrate the upper most aquifer. Permits will be obtained by the State
Engineer's Office for groundwater monitoring wells to be installed.

IV. OPERATION AND RECLAMATION MEASURES:

1. The Board suggests that a photographic record of the pre-prospecting and post-prospecting conditions be kept by the prospector. These photos should be taken from the same location and by the same method to clearly show the pre-prospecting condition of the land and the reclamation efforts. Upon completion of reclamation and request for bond or surety release, the Board may consider the photos as evidence of adequate reclamation, and thus, be able to act more quickly on the request for release.
2. Provide a description of the native vegetation of the area to be disturbed, including tree, shrub, and grass communities of the area. Color photographs, sufficient to adequately represent the ecology of the site and adequately labeled (including date, orientation and location), may be used in lieu of a written description. Based on the quality of the photographs, the Division may require additional detail.

See Attachment D - Photographs & Descriptions of Areas to be Disturbed.

3. Describe the estimated topsoil depth and how topsoil will be salvaged, stockpiled and redistributed for the re-establishment of vegetation. Specify approximate topsoil redistribution depth:

The topsoil thickness is 6 to 18 inches. Mud pit/plugging pit excavation: strip the area to be excavated of topsoil and stockpile; excavate mud pit/plugging pit to the prescribed dimensions and stockpile excavated material separate from top soil. At drilling completion, the mud pits and plugging pits will be backfilled with excavated overburden followed by stockpiled top soil.

4. Describe how drill holes will be plugged (refer to Rule 5.4 of the Rules for required abandonment procedures):

Drill holes converted to groundwater monitoring wells will not be plugged. Exploration borings will be sealed using bentonite grout abandonment fluid with a Marsh Funnel fluid viscosity of a minimum of 20 seconds greater than that of the drilling fluid. The surface will be plugged using 3/8" bentonite chips to 13 feet below ground surface and a cement plug will be set from 3 to 13 feet below ground surface. Grout will be mixed to a Marsh Funnel viscosity of > or = to 20 seconds of bottom hole drilling fluid viscosity and then pumped from the bottom up. Bentonite chips will be placed after 24 hours.

5. Describe how portals, adits, shafts, ponds, excavations, or other disturbances will be reclaimed (refer to Rule 3 and Rule 5 for specific reclamation performance standards). You may wish to contact the Division for closure specifications.

Reclamation will consist of backfilling mud pits/plugging pits (as described in section 3 above) and grading the surface to conform to surrounding grades. The surface of the backfilled areas will be crowned in the center so runoff will not collect over the reclaimed mud pits and plugging pits. At the conclusion of grading, the disturbed areas will be re-seeded.

6. Describe how roads will be reclaimed or returned to their pre-prospecting (or better) condition:

No roads will be constructed as part of this prospecting effort. Minor disturbance to vegetation resulting from the drill rig/backhoe accessing the well site from the adjacent road will be repaired with hand tools and re-seeded.

7. List the seed mixture to be used in the re-establishment of vegetation. See the attached seed mixture calculation to obtain PLS/acre. For assistance with formulating seed mixtures and rates, contact the local NRCS if on private land, BLM/USFS if on public land or State Land Board if on state land.

A. Provide plant name and seeding rate

Plant Name	Seeding Rate (PLS/acre)
Blue Grama (Lovington)	3.0
Big Bluestem (Kaw)	11.0
Little Bluestem (Pastura)	7.0
Western Wheatgrass (Arriba)	10.0
Yellow Indian Grass (Nebraska 28)	1.0
Total	32.0 lbs/acre

B. Describe the method for seed bed preparation, and application method for grass/forb seeding:

The seed will be sown by broadcast-type seeders and "raked in" or otherwise covered with topsoil to a depth of about 1/4 inch. Seed will not be sown in windy conditions or when the ground is frozen. After seeding has been completed, hay or straw mulch will be uniformly placed at a rate of 1/2 lb/square yard.

V. TERMS AND CONDITIONS FOR PROSPECTING OPERATIONS:

1. Reclamation measures shall be fulfilled in a timely manner and completed within five (5) years of completion of prospecting activities.
2. The prospecting operations described in this Notice will be conducted in such a manner as to minimize surface disturbances. In addition to the measures required in Rule 5, precautions to be taken include:
 - A. Confinement of operations to areas near existing roads or trails, where practicable. Existing roads which are to remain as permanent roads after prospecting activities are completed shall be left in a condition equal to or better than the pre-prospecting condition;
 - B. Drilling shall be conducted in such a way as to prevent cuttings and fluids from directly entering any dry or flowing stream channel. Drill cuttings must be spread to a depth no greater than one-half (1/2) inch or buried in an approved disposal pit;

8 (Form 2- Public)

- C. Proper and timely abandonment of drill holes upon completion of drilling;
 - D. Reclamation of affected lands upon completion of operations or phases of an operation;
 - E. Backfilling and revegetating any pits to blend in with the surrounding land surface;
 - F. Safeguarding mine entries, trenches and excavations from unauthorized entry at all times;
 - G. Disposal of any trash, scrap metal, wood, machinery, and buildings;
 - H. Control of noxious weeds within the area affected by the prospector
3. The prospecting operations shall be conducted in such a manner as to comply with all applicable local, state and federal laws and regulations including applicable state and federal air and water quality laws and regulations.
 4. The prospecting operations shall be conducted so as to minimize adverse effects upon wildlife to include covering of open drill holes until properly plugged.
 5. During the prospecting operations, the operator will perform the necessary stabilization and reclamation work to ensure those areas affected by prospecting activities are erosionally and geotechnically stable.
 6. All prospecting operations shall be in compliance with the Colorado Mined Land Reclamation Act, as amended (34-32-101 et seq. C.R.S.), and all rules and regulations currently in effect or promulgated pursuant thereto. See 2 CCR 407-1, Mined Land Reclamation Board Hardrock /Metal Mining Rules.

VI. ADDITIONAL TERMS AND CONDITIONS FOR PROSPECTING ON BLM/USFS LANDS

1. The prospector will supply a copy of this NOI to the appropriate BLM and/or USFS office.
2. The prospector authorizes the MLRB to discuss the information in this Notice of Intent with the BLM and/or USFS.
3. If on BLM land, the prospector will complete reclamation to the standards described in 43 CFR 3809.1-3 (d) and implement reasonable measures to prevent unnecessary or undue degradation of lands during operations.

VII. FINANCIAL WARRANTY

A financial warranty must be provided for the cost of reclamation of the disturbance described in this Notice. The prospector can either file a "One Site Prospecting Financial Warranty" or a "Statewide Financial Warranty." **The financial warranty must be submitted and approved by the Division prior to entry upon lands for the purpose of prospecting.**

An One-Site Prospecting Financial Warranty is usually filed by individuals or companies where prospecting activities are limited to a single area. It must be filed in the amount of \$2,000 per acre for land to be disturbed, or such other amount as determined by the Division, based on the projected costs of reclamation. A Statewide Financial Warranty is usually filed by companies with multiple prospecting sites. It must be filed in an amount equal to the estimated cost of reclamation per acre of affected land for all anticipated sites statewide. (You may increase the Statewide bond at any time in order to cover additional or expanded prospecting activities.)

VIII. SIGNATURE REQUIREMENT

Please place you initials on the line provided:

_____ I hereby verify that the foregoing information is true and accurate and commit to the reclamation of the
aforementioned prospecting site as required by the Colorado Mined Reclamation Act and the rules as specified in the
Hard Rock/Metal Mining Rules and Regulations and this NOI form.

_____ I have enclosed the required permit fee.

_____ I authorize the Division to contact and copy the BLM and/or USFS on any correspondence related to the prospecting
operation, if the prospecting operation is located on federal public land.

_____ I have also enclosed the appropriate reclamation surety amount or will post an amount as determined by the office,
based on the projected costs of reclamation.

_____ I understand that I am not authorized to create any surface disturbance until the surety amount is posted and approved
in writing from the Division of Reclamation, Mining and Safety.

_____ I accept and agree to comply with the foregoing terms and conditions and with all of the provisions of Rules 3 and 5,
and C.R.S. 34-32-101.

***This form has been approved by the Mined Land Reclamation Board pursuant to section 34-32-113, C.R.S., of the Mined Land
Reclamation Act. Any alteration or modification of this form shall result in voiding any NOI issued on the altered or modified
form and subject the operator to cease and desist orders and civil penalties for operating without a NOI pursuant to section 34-
32-123, C.R.S.***

I, the undersigned, being the NOI holder or the person authorized to sign on behalf of the NOI holder, declare that the information
given in this NOI form is true and correct.

SIGNATURES MUST BE IN BLUE INK

Signed and dated this _____ day of _____,

Signature of NOI holder or person authorized to sign:

Name (typed or print) Richard Blubaugh

Title/Position: V.P. EH&S Resources

Attachment A: Type, Location & Depth of Monitoring Wells and Core Hole

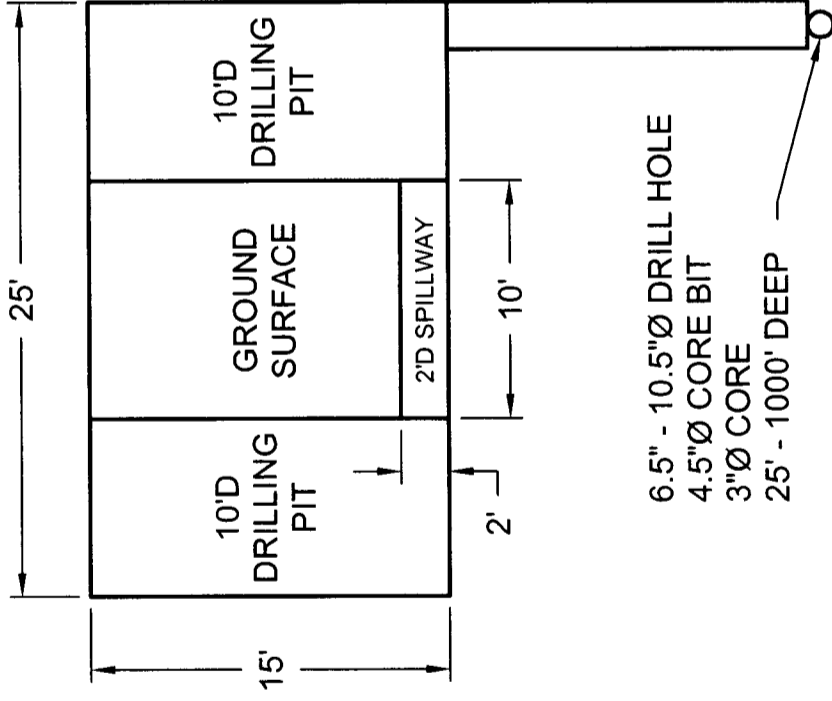
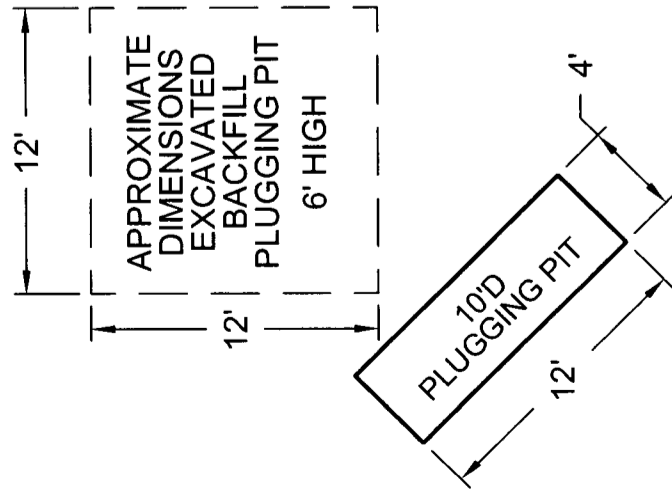
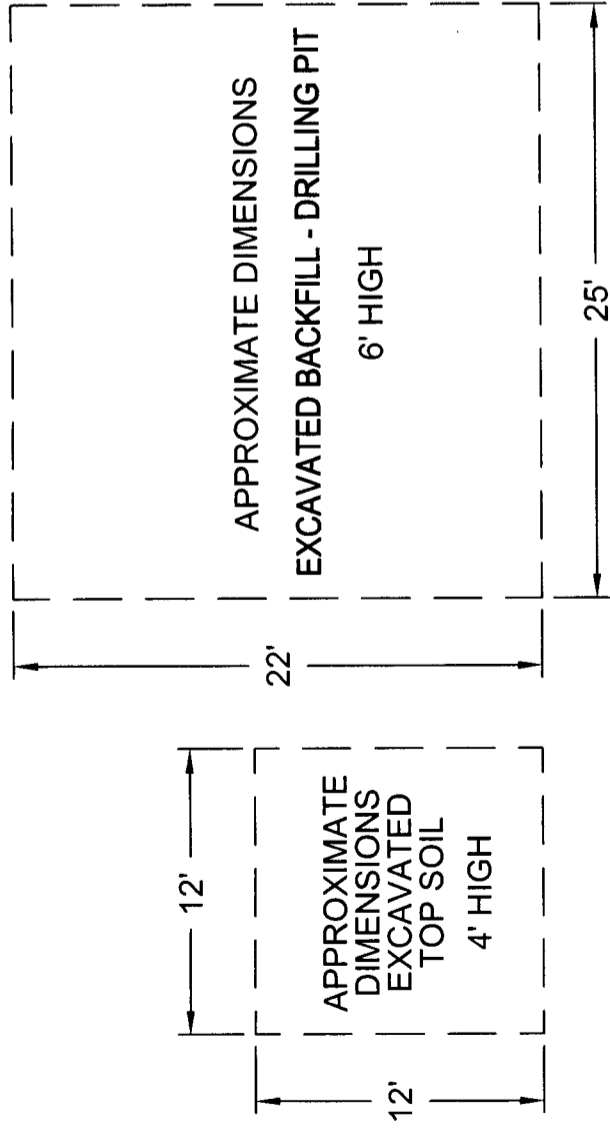
Attachment A: Type, Location, & Depth of Monitoring Wells

ID	ACTIVITY	NORTHING (NAD-27 CO-N)	EASTING (NAD- 27 CO-N)	SEC-TOWNSHIP- RANGE	ESTIMATED DEPTH (FT)
IN08-33-MM1	Groundwater Observation Well	2,168,510.22	531,821.17	33-T10N-R67W	520
IN08-33-MM2	Groundwater Observation Well	2,168,932.49	530,326.29	33-T10N-R67W	500
IN08-33-MM3	Groundwater Observation Well	2,166,679.75	532,510.88	33-T10N-R67W	550
IN08-33-MM4	Groundwater Observation Well	2,168,026.30	533,810.37	33-T10N-R67W	610
IN08-33-MM5	Groundwater Observation Well	2,169,712.25	533,373.69	33-T10N-R67W	575
IN08-33-MO1	Groundwater Observation Well	2,168,417.16	532,023.58	33-T10N-R67W	400
IN08-33-MO2	Groundwater Observation Well	2,166,703.85	532,504.22	33-T10N-R67W	340
IN08-33-MO3	Groundwater Observation Well	2,169,702.39	533,350.74	33-T10N-R67W	360
IN08-33-MU1	Groundwater Observation Well	2,168,417.16	532,002.64	33-T10N-R67W	600
IN08-33-MU2	Groundwater Observation Well	2,168,417.16	531,974.73	33-T10N-R67W	660
IN08-33-MU3	Groundwater Observation Well	2,166,728.10	532,497.56	33-T10N-R67W	695
IN08-33-MU3	Groundwater Observation Well	2,169,693.47	533,327.40	33-T10N-R67W	675
IN08-33-PW1	Groundwater Observation Well	2,168,417.16	532,049.18	33-T10N-R67W	560
IN08-3-MM1	Groundwater Observation Well	2,174,826.00	527,966.00	3-T9N-R67W	550
IN08-15-MM1	Groundwater Observation Well	2,174,967.00	517,895.00	15-T9N-R67W	350
CN08-11-1C	Exploration Borehole / Core	2,177,961.92	489,723.92	11-T8N-R67W	200

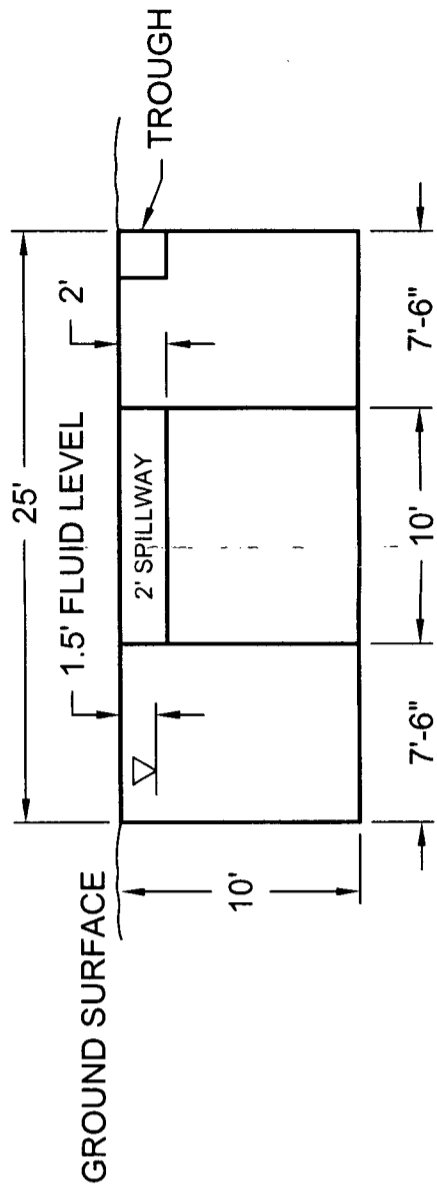
Attachment B: See Map

**Attachment C: Centennial Project Mud Pit, Plugging Pit and Drill Hole
Maximum Dimensions**

Plan View



Cross-section View

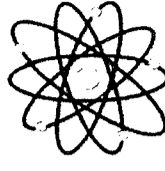


Maximum dimensions provided - Actual dimensions will vary based on depth and diameter of drillhole.

REF	52
CHECK SCALES	
If this bar does not measure 1 inch this map is not at its original scale	
ANSI B	11" x 17"

PLOT DATE	08-Sep-2008	DATE	26-Aug-2008
DRAWN	S. Hetrick	CHECKED	D. Tschopp
SCALE	1/8" = 1'-0"	FILENAME	p:\centennial\maps\33mudpluggingpit\drillholedims.dwg
COORDS	n/a	PROJECT	Centennial

Attachment C
Centennial Project Mud Pit, Plugging Pit and Drill Hole Maximum Dimensions

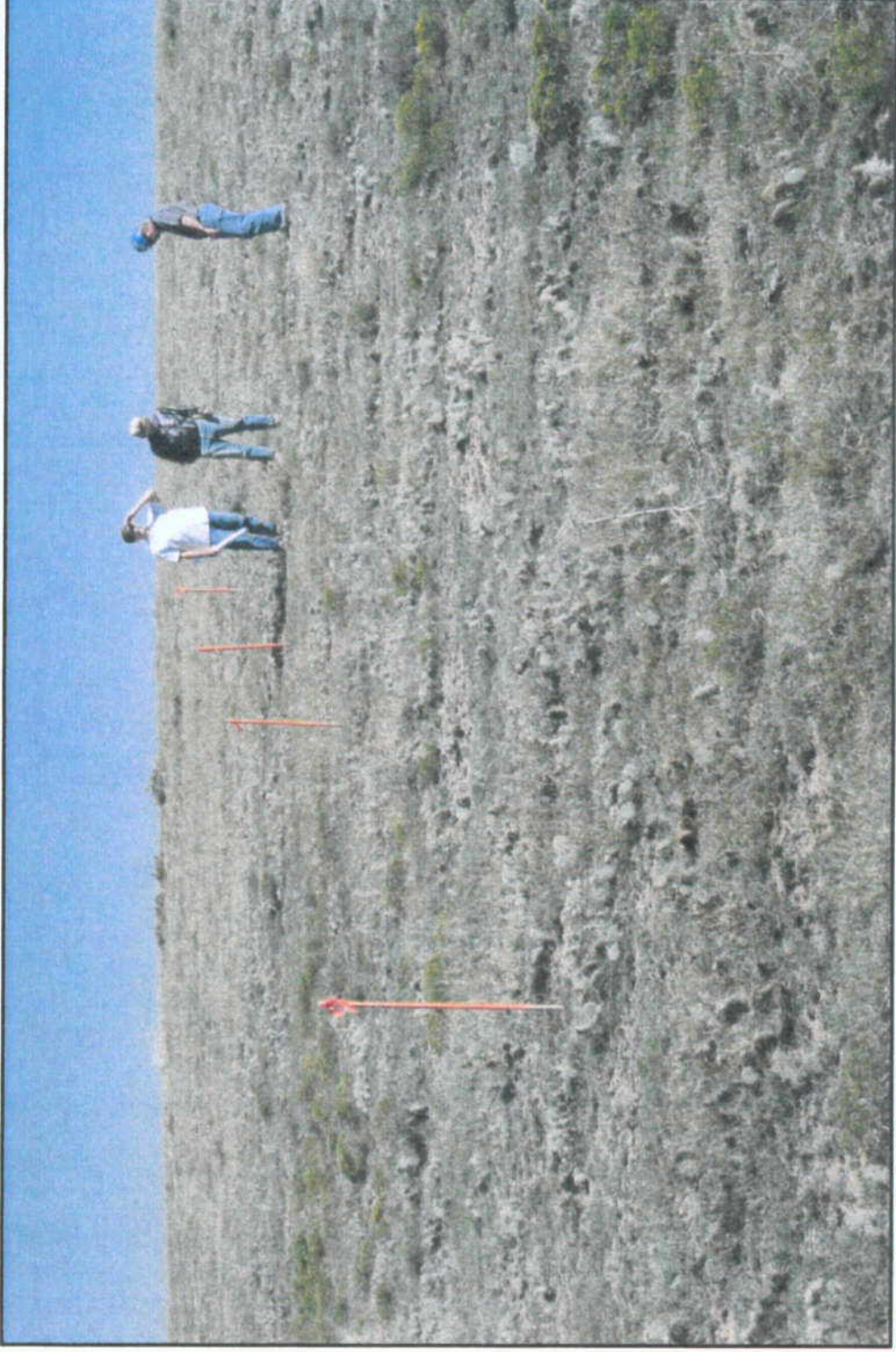


POWERTECH (USA) INC.

Attachment D: Photographs and Descriptions of Areas to be Disturbed

**Attachment D: Photographs and Descriptions of Areas to be Disturbed
Monitoring Wells IN08-33-PW1, IN08-33-MO1, IN08-33-MU1, IN08-33-MUU1**

Total Surface Disturbance = 0.465 acres



Photograph Date & Orientation: August 29, 2008 looking North

Types of Vegetation: Buffalo Grass, Blue Grama, 4-Wing Salt Brush, Needle & Thread Grass, Prickly Pear Cactus

Drilling Pad Surface Disturbance: 80' x 200' = 16000 sq. ft. = 0.367 acres for all 4 drilling boreholes

Mud Pit Surface Disturbance: 25' x 15' = 375 sq. ft. x 4 mud pits = 1500 sq. ft. = 0.034 acres

Soil Stock Pile Surface Disturbance: Backfill = 22' x 25' = 550 sq. ft. x 4 stock piles = 2200 sq. ft. = 0.051 acres

Top Soil = 12' x 12' = 144 sq. ft. x 4 stock piles = 576 sq. ft. = 0.013 acres

Attachment D: Photographs and Descriptions of Areas to be Disturbed
Monitoring Wells IN08-33-MIM3, IN08-33-MO2, IN08-33-MUU2

Total Surface Disturbance = 0.441 acres



Photograph Date & Orientation: August 29, 2008 looking North

Types of Vegetation: Buffalo Grass, Blue Grama, 4-Wing Salt Brush, Needle & Thread Grass, Prickly Pear Cactus

Drilling Pad Surface Disturbance: 80' x 200' = 16000 sq. ft. = **0.367 acres** for all 3 drilling boreholes

Mud Pit Surface Disturbance: 25' x 15' = 375 sq. ft. x 3 mud pits = 1125 sq. ft. = **0.026 acres**

Soil Stock Pile Surface Disturbance: Backfill = 22' x 25' = 550 sq. ft. x 3 stock piles = 1650 sq. ft. = **0.038 acres**

Top Soil = 12' x 12' = 144 sq. ft. x 3 stock piles = 432 sq. ft. = **0.010 acres**

**Attachment D: Photographs and Descriptions of Areas to be Disturbed
Monitoring Wells IN08-33-MUU3, IN08-33-MO3, IN08-33-MM5**

Total Surface Disturbance = 0.441 acres



Photograph Date & Orientation: August 29, 2008 looking East

Types of Vegetation: Buffalo Grass, Blue Grama, 4-Wing Salt Brush, Needle & Thread Grass, Prickly Pear Cactus

Drilling Pad Surface Disturbance: 80' x 200' = 16000 sq. ft. = 0.367 acres for all 3 drilling boreholes

Mud Pit Surface Disturbance: 25' x 15' = 375 sq. ft. x 3 mud pits = 1125 sq. ft. = 0.026 acres

Soil Stock Pile Surface Disturbance: Backfill = 22' x 25' = 550 sq. ft. x 3 stock piles = 1650 sq. ft. = 0.038 acres

Top Soil = 12' x 12' = 144 sq. ft. x 3 stock piles = 432 sq. ft. = 0.010 acres

**Attachment D: Photographs and Descriptions of Areas to be Disturbed
Monitoring Well IN08-33-MIM1**

Total Surface Disturbance = 0.209 acres



Photograph Date & Orientation: August 29, 2008 looking North

Types of Vegetation: Buffalo Grass, Blue Grama, 4-Wing Salt Brush, Needle & Thread Grass, Prickly Pear Cactus

Drilling Pad Surface Disturbance: 80' x 100' = 8000 sq. ft. = 0.184 acres

Mud Pit Surface Disturbance: 25' x 15' = 375 sq. ft. = 0.009 acres

Soil Stock Pile Surface Disturbance: Backfill = 22' x 25' = 550 sq. ft. = 0.013 acres

Top Soil = 12' x 12' = 144 sq. ft. = 0.003 acres

**Attachment D: Photographs and Descriptions of Areas to be Disturbed
Monitoring Well IN08-33-MM2**

Total Surface Disturbance = 0.209 acres



Photograph Date & Orientation: August 29, 2008 looking South

Types of Vegetation: Buffalo Grass, Blue Grama, 4-Wing Salt Brush, Needle & Thread Grass, Prickly Pear Cactus

Drilling Pad Surface Disturbance: 80' x 100' = 8000 sq. ft. = 0.184 acres

Mud Pit Surface Disturbance: 25' x 15' = 375 sq. ft. = 0.009 acres

Soil Stock Pile Surface Disturbance: Backfill = 22' x 25' = 550 sq. ft. = 0.013 acres

Top Soil = 12' x 12' = 144 sq. ft. = 0.003 acres

**Attachment D: Photographs and Descriptions of Areas to be Disturbed
Monitoring Well IN08-33-MIM4**

Total Surface Disturbance = 0.209 acres



Photograph Date & Orientation: August 29, 2008 looking West

Types of Vegetation: Buffalo Grass, Blue Grama, 4-Wing Salt Brush, Needle & Thread Grass, Prickly Pear Cactus
Drilling Pad Surface Disturbance: 80' x 100' = 8000 sq. ft. = 0.184 acres

Mud Pit Surface Disturbance: 25' x 15' = 375 sq. ft. = 0.009 acres

Soil Stock Pile Surface Disturbance: Backfill = 22' x 25' = 550 sq. ft. = 0.013 acres

Top Soil = 12' x 12' = 144 sq. ft. = 0.003 acres

**Attachment D: Photographs and Descriptions of Areas to be Disturbed
Monitoring Well IN08-3-MM1**

Total Surface Disturbance = 0.209 acres



Photograph Date & Orientation: September 4, 2008 looking West

Types of Vegetation: Buffalo Grass, Blue Grama, 4-Wing Salt Brush, Needle & Thread Grass, Prickly Pear Cactus
Drilling Pad Surface Disturbance: 80' x 100' = 8000 sq. ft. = 0.184 acres

Mud Pit Surface Disturbance: 25' x 15' = 375 sq. ft. = 0.009 acres

Soil Stock Pile Surface Disturbance: Backfill = 22' x 25' = 550 sq. ft. = 0.013 acres

Top Soil = 12' x 12' = 144 sq. ft. = 0.003 acres

**Attachment D: Photographs and Descriptions of Areas to be Disturbed
Monitoring Well IN08-15-MM1**

Total Surface Disturbance = 0.209 acres



Photograph Date & Orientation: September 4, 2008 looking West

Types of Vegetation: Buffalo Grass, Blue Grama, 4-Wing Salt Brush, Needle & Thread Grass, Prickly Pear Cactus

Drilling Pad Surface Disturbance: 80' x 100' = 8000 sq. ft. = 0.184 acres

Mud Pit Surface Disturbance: 25' x 15' = 375 sq. ft. = 0.009 acres

Soil Stock Pile Surface Disturbance: Backfill = 22' x 25' = 550 sq. ft. = 0.013 acres

Top Soil = 12' x 12' = 144 sq. ft. = 0.003 acres

**Attachment D: Photographs and Descriptions of Areas to be Disturbed
Exploration Borehole/Core CN08-11-1C**

Total Surface Disturbance = 0.213 acres



Photograph Date & Orientation: September 4, 2008 looking West

Types of Vegetation: Cultivated Field planted in Sunflowers

Drilling Pad Surface Disturbance: 80' x 100' = 8000 sq. ft. = 0.184 acres

Mud Pit Surface Disturbance: 25' x 15' = 375 sq. ft. = 0.009 acres

Plugging Pit Surface Disturbance: 12' x 4' = 48 sq. ft. = 0.001 acres

Soil Stock Pile Surface Disturbance: Mudpit Backfill = 22' x 25' = 550 sq. ft. = 0.013 acres

Plugging Pit Backfill = 12' x 12' = 144 sq. ft. = 0.003 acres

Top Soil = 12' x 12' = 144 sq. ft. = 0.003 acres