cc: Mike

Rec'd 12-17-13

State of Utah
School & Institutional
Trust Lands Administration

675 East 500 South, Suite 500
Salt Lake City, UT 84102-2818
801-538-5100
801-355-0922 (Fax)
www.trustlands.com

Gary R. Herbert
Governor

Greg Bell
Lieutenant Governor

Kevin S. Carter
Director

James C. Byars
Red Cliffs Mining. Inc.
P.O. Box 656
Emery, UT 84522

RE: H&B Mine NOI, DOGM #S/019/0063

Dear Mr. Byars:

I am in receipt of our NOI of December 12, 2013 regarding an increase in acreage, to 1.97 acres, at the H&B Mine site upon SITLA lands in Grand County, Utah. The Trust Lands Administration concurs in the mining plan change on condition that you obtain necessary approves from the Division of Oil, Gas & Mining, but also with the following observation.

The Mine Plan Map dated 12/13/06 which accompanied your NOI should be updated to show the current date of the proposed change in acreage that is shown on the map. Also, the map shows an expired SITLA lease number, i.e. ML50572. The currently active SITLA leaser held by Red Cliff Mining, Inc. in Grand County is ML 51344. Please amend you mine map accordingly.

Also, I note that the NOI anticipates a substantial increase in production from the lease. May I take this opportunity to remind Red Cliff Mining, Inc. of the need to timely submit production and royalty reports to the Trust Lands Administration in order to avoid any late fees or penalties. Thank you for your cooperation in this matter.

Sincerely,

John T. Blake
Deputy Assistant Director/Minerals

CC: Mike Bradley