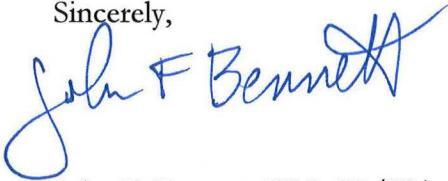


As the State of Alaska is asserting that the federal mining claims No. 11, 12 & 13 Above Lower Discovery are subject to a 200-foot wide right-of-way for the Taylor Highway, any mining work you perform within the right-of-way is subject to a permit from DOT&PF. The permit will ensure that you are able to mine your claims while protecting the Taylor Highway. Depending on your plan of operations, this might result in a plan to avoid mining through the existing road bed, or for you to construct a detour to DOT&PF standards that will ensure traveler safety and road bed stability before mining through the highway. You would also be required to restore the highway to its original alignment at the conclusion of your mining activities.

I have also spoken with Pat Miller, the BLM Mining Engineer who has reviewed your plans. He stated that in the late fall of 2012, BLM directed your predecessor, Mikhail Baburkin to work with DOT&PF to coordinate your mining operation with our management of the highway facility. On Thursday April 11, you contacted me by phone in order to initiate contact with DOT. As we discussed, I believe we can work out a plan of operation that will allow you to continue mining within the existing 200-foot wide right-of-way for the Taylor Highway subject to the protection of the roadway. In order to discuss this further and obtain the appropriate permit, please contact Property Management Supervisor, Pete Eagan at 907-451-5401 to discuss permit requirements for operations within the highway right-of-way. He can also be reached by e-mail at pete.eagan@alaska.gov.

Sincerely,



John F. Bennett, PLS, SR/WA
Chief, Right of Way

Cc: Dennis Bishop, Tok District Superintendent, M&O
Poke Haffner, Assistant Attorney General
Jason Sakalaskas, Assistant Northern Region M&O Engineer
Pete Eagan, Property Management Supervisor, Right of Way
Michael Gibson, BLM Branch Supervisor, Eastern Interior Field Office

Enclosure: Google Earth image: Jack Wade – Kuzmin Claims