

Department of Environment and Natural Resources
Minerals and Mining Program
Joe Foss Building
523 East Capitol Avenue
Pierre, South Dakota 57501-3182
Telephone: (605) 773-4201 Fax: (605) 773-5286

RECEIVED

JUL 30 2018

MINERALS & MINING PROGRAM

NOTICE OF INTENT TO CONDUCT
MINERAL EXPLORATION OPERATION
(Excluding Uranium)

Pursuant to SDCL 45-6C

Name of Operator: Daniel Hoff

Address:

2514 Shad Street., Rapid City SD, 57703--6489

Name and Address of Operator's Resident
Agent in South Dakota:

Telephone Number:

(605) 770-2254

Telephone Number:

Brief Description of the Type of Exploration to be Conducted. Include a list of all minerals to be explored and a description of methods (e.g. drill rig type, proposed depth for each test hole, length of access road construction, and/or other).

This proposed operation will be used to determine the value and extent of the gold bearing gravels. Small test holes will be dug in a gridded pattern, roughly 50-100 feet apart, across the proposed exploration area. With this spacing roughly 75 holes will be dug. This will be done to determine the grade and extent of the placer gold deposit. Each hole will be roughly 10ft diameter at the surface. The holes will be dug to bedrock using a backhoe. Top soil will be kept separate. After sampling the hole, the hole will be filled and top soil replaced to original grade. No more than 5 holes will be open at any time. See attached document for more information.

Will the Operator Conduct Uranium Exploration? Y N If Yes, a Permit Pursuant to SDCL 45-6D Must be Obtained.

Date Exploration Will Commence:

As soon as permitted

Legal Description of Land to be Explored by Section, Township, and Range:

Township 1S, Range 7E, Section 18 in the NE1/4

County:

Pennington

What Legal Authority Does the Operator Have to Conduct Exploration on the Above-Described Land? Attach copy if available.

Deed Lease US Forest Service Permit Pending US Forest Service Permit

Other _____

INSTRUCTIONS (Reference SDCL 45-6C):

This Notice of Intent Must be Accompanied by:

1. A Plan of Reclamation Pursuant to Section 8.
2. A Topographic Map Pursuant to Section 9.
3. A Fee of \$250 Pursuant to Section 17.
4. A Surety Bond in an Amount to be Determined by the Department Pursuant to Section 19.
5. Any Written Landowner Consultations Giving Alternative Preferences for the Reclamation of the Affected Land Pursuant to Section 16.

Applicant affirms that the surface owner has been notified of the proposed mineral development and that said surface owner is aware of his rights to compensation for damages to property pursuant to SDCL 45-5A. Applicant hereby affirms that the mineral exploration will be conducted pursuant and subject to the provisions of SDCL 45-6C, and all regulations promulgated thereunder, that he will grant access to the Board of Minerals and Environment or its agents to the area under notice from the date of the notice and thereafter to assure compliance with the provisions of SDCL 45-6C.

I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

[Signature]
Signature

7/24/18
Date

Owner/Operator
Title

STATE OF South Dakota

COUNTY OF Pennington

On this 24 day of July, 2018, before me personally appeared

Daniel Hoff who acknowledged himself to be

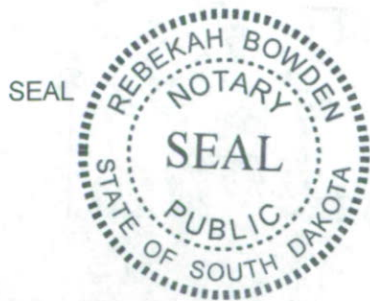
the owner for Exni, Daniel Hoff
(Title) (Operator)

and that he is authorized to execute this Notice for the purposes contained therein.

[Signature]
Notary Public

**My Commission Expires
June 25, 2021**

My Commission Expires: _____



FOR DEPARTMENT USE ONLY

DATE APPROVED: BOND AMOUNT: EXNI NUMBER:

Chairman, SD Board of Minerals & Environment

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Proposed Exploration Operation:

Several methods of processing material may be used. Using water is the preferred method of processing the gravel as it captures gold more efficiently. Since surface water does not exist on or near the claim, a dry washer may be used instead. Below is outlined several proposed methods.

All processing of material will be done on site and will not be hauled anywhere else. No chemicals will be used, only gravity separation of the gold from the gravels. There will be no drill holes into bedrock.

Small test holes will be dug in a gridded pattern, roughly 50-100 feet apart, across the proposed exploration area. With this spacing roughly 75 holes will be dug. This will be done to determine the grade and extent of the placer gold deposit. Each hole will be roughly 10ft diameter at the surface. The holes will be dug to bedrock using a backhoe. This will provide roughly 40 yards of material from each hole. With this plan, 3,000 yards of gravel will be processed. Top soil will be kept separate. After sampling the hole, the hole will be filled and top soil replaced to original grade. Seeding on the holes will be completed according to the US Forest Service as well as the County District Conservationist. If the results from a hole show significant values, it may be left open to expand testing around it to determine the width of the paystreak. This expansion will not exceed 20ft diameter. No more than 5 holes will be open at any time.

Gravels will be dug and processed through a gold recovery system. The system will set up in a designated area on the claim.

Water Recovery:

All water methods will include a holding pond, settling pond, and a suction pond. These ponds will be connected and water will be recirculated. The ponds will consist of several large galvanized cattle tanks, 8 ft in diameter and 2 ft in height. They will be connected in series. In the holding pond, a sand screw will be used to remove the waste gravel from the pond. A settling pond will be between the holding pond and the suction pond. This will allow silt to settle from the water.

The material will first run across a grizzly that has 1 foot spacing to remove any large rocks. The minus 1foot material will then be hauled to the wash plant using the bucket on the backhoe loader or with a small dump trailer. This material will then be washed through a high-banker, trommel, or pan feeder style wash plant. The oversize from the wash plants will be stacked using a stacking conveyor. The minus material will flow over a series of sluice boxes. The waste off of the sluice boxes will fall into a sand screw. The sand screw will remove the waste gravel from the holding tank and pile it with the oversize tailings. All of the waste material will be piled onto a pad. This pad will slope slightly to a holding pond. The size of the pad will be 20ft by 20ft. This holding pond will be plastic lined and used to recover water. A small water pump will put the water back into the recirculating tanks. Silt from the tanks will be scooped out and mixed with the rest of the tailings. Once the gravels from a test hole have been processed and the amount of gold determined, the waste material will be put back into the test hole and the top soil replaced.

Dry-washer:

Having enough water will be the hardest challenge of the operation. If this proves to be an issue, a dry-washer may be used instead. Dry-washers have been known to be dusty, but new technology in dry washers has been developed that keeps the dust to a minimum. (See Keene Model 190 dry-washer) The

dust in the newer dry-washers is kept down by forcing the waste material directly down. This in turn significantly reduces the amount of dust that becomes airborne.

The material will first run across a grizzly that has 1 foot spacing to remove any large rocks. The minus 1foot material will then be hauled to the dry-washer using the bucket on the backhoe loader or with a small dump trailer. The material will then be processed through the dry-washer. The oversize material will be stacked using a stacking conveyor. The undersize that comes out of the dry-washer will be piled separately as it may need to be run a second time through the dry-washer to gain a better recovery. Once the gravels from a test hole have been processed and the amount of gold determined, the waste material will be mixed and put back into the test hole and the top soil replaced.

Some trees may need to be cut down to allow access into areas of the proposed exploration area. Few trees as possible will be removed.

A list of proposed equipment is listed below

- Trommel wash plant capable of handling no more than 5 yards an hour
- Pan feeder wash plant capable of handling no more than 5 yards an hour
- Dry-washer capable of handling no more than 5 yards an hour
- High-banker capable of handling no more than 2 yards an hour
- Backhoe loader for digging and reclamation
- Skid steer for digging and reclamation
- Mini Excavator for digging and reclamation
- Sand screw
- Stacking conveyor
- Feed conveyor
- Water truck
- Dump trailer
- Dump truck
- Generator

Reclamation

As stated above, reclamation will be an ongoing process. When a test hole is started, the top soil will be dug and piled separately. Holes will be filled with waste material and then covered with top soil. A backhoe, skid steer, or mini excavator will be used to move the material and bring the grade back, as nearly as possible, to its original state. This plan will keep the amount of open holes to less than 5. Bare soil will be reseeded in the spring time with a mixture of grass developed in consultation with both the US Forest Service as well as the District Conservationist. Any areas torn up by equipment and the area of the wash plant, where bare soil is present will also be reseeded. This will rehabilitate the affected land to its previous state.

After talking with Matthew Oden from the District Conservationist. His recommendation is to use a Forest Service seed mix for the area. Included below is a copy of the email with the seed mixture.

STATE OF SOUTH DAKOTA
BEFORE THE SECRETARY OF

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MINERALS & MINING PROGRAM

THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

IN THE MATTER OF THE)
APPLICATION OF)

Daniel Hoff)

STATE OF South Dakota)

COUNTY OF Pennington)

CERTIFICATION OF

APPLICANT

I, Daniel Hoff, the applicant in the above matter after being duly sworn upon oath hereby certify the following information in regard to this application:

I have read and understand South Dakota Codified Law Section 1-40-27 which provides:

"The secretary may reject an application for any permit filed pursuant to Titles 34A or 45, including any application by any concentrated swine feeding operation for authorization to operate under a general permit, upon making a specific finding that:

(1) *The applicant is unsuited or unqualified to perform the obligations of a permit holder based upon a finding that the applicant, any officer, director, partner, or resident general manager of the facility for which application has been made:*

- (a) *Has intentionally misrepresented a material fact in applying for a permit;*
- (b) *Has been convicted of a felony or other crime involving moral turpitude;*
- (c) *Has habitually and intentionally violated environmental laws of any state or the United States which have caused significant and material environmental damage;*
- (d) *Has had any permit revoked under the environmental laws of any state or the United States; or*
- (e) *Has otherwise demonstrated through clear and convincing evidence of previous actions that the applicant lacks the necessary good character and competency to reliably carry out the obligations imposed by law upon the permit holder; or*

(2) *The application substantially duplicates an application by the same applicant denied within the past five years which denial has not been reversed by a court of competent jurisdiction. Nothing in this subdivision may be construed to prohibit an applicant from submitting a new application for a permit previously denied, if the new application represents a good faith attempt by the applicant to correct the deficiencies that served as the basis for the denial in the original application.*

All applications filed pursuant to Titles 34A and 45 shall include a certification, sworn to under oath and signed by the applicant, that he is not disqualified by reason of this section from obtaining a permit. In the absence of evidence to the contrary, that certification shall constitute a prima facie showing of the suitability and qualification of the applicant. If at any point in the application review, recommendation or hearing process, the secretary finds the applicant has intentionally made any material misrepresentation of fact in regard to this certification,

consideration of the application may be suspended and the application may be rejected as provided for under this section.

Applications rejected pursuant to this section constitute final agency action upon that application and may be appealed to circuit court as provided for under chapter 1-26."

I certify pursuant to 1-40-27, that as an applicant, officer, director, partner, or resident general manager of the activity or facility for which the application has been made that I; a) have not intentionally misrepresented a material fact in applying for a permit; b) have not been convicted of a felony or other crime of moral turpitude; c) have not habitually and intentionally violated environmental laws of any state or the United States which have caused significant and material environmental damage; (d) have not had any permit revoked under the environmental laws of any state or the United States; or e) have not otherwise demonstrated through clear and convincing evidence of previous actions that I lack the necessary good character and competency to reliably carry out the obligations imposed by law upon me. I also certify that this application does not substantially duplicate an application by the same applicant denied within the past five years which denial has not been reversed by a court of competent jurisdiction. Further;

"I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct."

Dated this 24 day of July, 2018.

Daniel Hoff
Applicant (print)

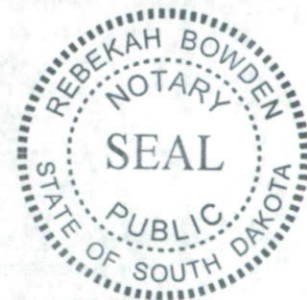
[Signature]
Applicant (signature)

Subscribed and sworn before me this 24 day of July, 2018.

[Signature]
Notary Public (signature)

My commission expires: My Commission Expires June 25, 2021

(SEAL)



PLEASE ATTACH ANY ADDITIONAL INFORMATION NECESSARY TO DISCLOSE ALL FACTS AND DOCUMENTS PERTAINING TO SDCL 1-40-27 (1) (a) THROUGH (e). ALL VIOLATIONS MUST BE DISCLOSED, BUT WILL NOT AUTOMATICALLY RESULT IN THE REJECTION OF AN APPLICATION

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I, Daniel Hoff, was caught operating a dredge on Forest Service land without an operating plan in the district of South Dakota. The fine of \$280 was paid in full on July 8th 2018. After purchasing the dredge I wanted to set it up and make sure it all works. The intent of this was to make sure everything was operational before going on a trip to places that allow dredging such as Colorado and Montana. After operating it for about an hour and working on bugs, I was tearing it down when a Forest Service Officer caught me. There was no intent to operate the dredge in such a manor to cause great disturbance or to operate it in a production state. Below is an email verifying my payment.

Payment of a US District Court Violation Notice.

info@cvb.uscourts.gov

Jul 8,
2018,
9:45 PM

to me

Greetings,

This email is a receipt from the Central Violations Bureau for the payment of a U.S. District Court Violation Notice. The payment was as follows:

CVB Location Code: SD23
CVB Violation Number: FBDB002M
Transaction Amount: \$280.00
Transaction Status: Success
Transaction Date: 07/08/2018 23:39:12
Defendant Name: HOFF, DANIEL
Pay.Gov Tracking ID: 26AQSESB

If you paid by credit card, charges will appear as CVB 800-827-2982 IC on your credit card statement. This transaction will be applied to your case one business day following your payment. If you have any questions, please contact the Central Violations Bureau at 800-827-2982.

Thank you for your payment.

Signature (2)  Date 7/24/18

Department of Environment and Natural Resources
Minerals and Mining Program
Joe Foss Building
523 East Capitol Avenue
Pierre, South Dakota 57501-3182
Telephone: (605) 773-4201 Fax: (605) 773-5286

RECEIVED EXPLORATION RECLAMATION PLAN
JUL 30 2018 Pursuant to SDCL 45-6C-8 and 45-6D-9
MINERALS & MINING PROGRAM

In preparing this Reclamation Plan, please address each item in detail, following SDCL 45-6C-8 and 45-6D-9. Also, refer to the reclamation standards outlined under SDCL 45-6C-27 through 45-6C-34, SDCL 45-6D-33 through 45-6D-39, and the state's hole plugging regulations as detailed under ARSD 74:11.

- 1.) Describe the type of reclamation the operator proposes to achieve in the reclamation of the affected land.

Reclamation will be done concurrent with the exploration. Each hole will be filled after the material has been original processed. After sampling the hole, the hole will be filled and top soil replaced to original grade. Seeding on the holes will be completed according to the US Forest Service as well as the County District Conservationist. See attached document for more information.

- 2.) Provide a proposed timetable for seeding and replanting indicating when and how the reclamation plan will be implemented. Such timetable shall be developed after consulting with the County District Conservationist as to the nature of the soils and native vegetation in the area of the proposed operation. These recommendations shall be followed, if any are provided, and copies of all correspondence shall be provided to the Department.

Test holes will be dug across the proposed exploration area. Top soil will be dug and piled separate. After the gravel has been processed, waste gravel will be placed back into test hole and the top soil replaced. No more than 5 holes will be open at a time. Any areas torn up by equipment and the area of the washplant, where bare soil is present will also be reseeded. See attached document for a more detailed plan. Necessary seeding will happen within a year. Also attached is Matt Odden's recommendation of grass seed mixture and time of year to seed grass.

- 3.) Describe how the reclamation plan will rehabilitate the affected land.

The reclamation plan will rehabilitate the affected land, as near as possible, to its original state.

- 4.) Describe the anticipated temporary and permanent plugging and capping procedures to be used (refer to SDCL 45-6C-28 through 45-6C-30, SDCL 45-6D-33 through 45-6D-35, and the state's hole plugging regulations as detailed under ARSD 74:11).

No holes will be drilled.

- 5.) Provide the estimated cost of: a) implementing and completing the proposed reclamation and; b) the estimated cost of plugging and sealing each test hole.

The estimated time to reclaim the exploration area is 2 work days. In 1 day, an operator with a backhoe or similar device can fill and grade the test holes. The second day is there for reseeding and other manual work necessary to reclaim the area. With an hourly rate of \$20/hr and a rental rate of \$380 a day, it is determined that the reclamation cost will be \$700

I declare and affirm under the penalties of perjury that this claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

Operator Signature: _____



Title: Owner/Operator

Date: 07/24/2018

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May 15

Odden, Matthew - NRCS, Rapid City, SD

to me

That makes more sense. That part of the Black Hills the Forest Service seed mix recommendation is:

35% Annual rye
25% Slender Wheatgrass
15% Green Needlegrass
5% American Vetch or Purple Prairie Clover (can be a combination)
20% warm season species combination – any of the following: Blue Grama, Switchgrass, Indiangrass, Sideoats Grama

If there are other native species on the site let me know and we can discuss including or substituting in the mix. Species that should not be included are Smooth Brome, Timothy, Kentucky Bluegrass, or Crested Wheatgrass; they are all introduced species that can take over native plant communities.

Let me know if you have any further questions. Thanks

Matthew Odden
District Conservationist
Rapid City Field Office
USDA Natural Resources Conservation Service
414 E Stumer Rd, Ste 300, Rapid City, SD 57701
Phone: 605-342-0301 ext. 3 or ext. 6684
Cell: (605) 391-2918
Fax: 855-256-2551

From: Daniel Hoff [mailto:daniel.c.hoff@gmail.com]
Sent: Monday, May 14, 2018 4:33 PM
To: Odden, Matthew - NRCS, Rapid City, SD <matthew.odden@sd.usda.gov>
Subject: Re: Seeding Mix

Whoops sorry! That should be 1S 7E Section 18

On Mon, May 14, 2018 at 4:31 PM, Odden, Matthew - NRCS, Rapid City, SD
<matthew.odden@sd.usda.gov> wrote:
Daniel,

Could you double check that legal description for me? Township 10S Range 7E Section 18 is on the prairie in southern Fall River County. I thought I understood this was in the Black Hills. Thanks

Matthew Odden
District Conservationist
Rapid City Field Office
USDA Natural Resources Conservation Service

414 E Stumer Rd, Ste 300, Rapid City, SD 57701

Phone: 605-342-0301 ext. 3 or ext. 6684

Cell: (605) 391-2918

Fax: 855-256-2551

From: Daniel Hoff [mailto:daniel.c.hoff@gmail.com]

Sent: Wednesday, May 09, 2018 2:08 PM

To: Odden, Matthew - NRCS, Rapid City, SD <matthew.odd@sd.usda.gov>

Subject: Seeding Mix

Hello Matthew,

I just spoke with you about a seeding mix for mining reclamation. Here is the location of the claim, 07 0010S 0070E Sec18.

Your help is much appreciated!

--

Thanks,

Daniel Hoff

This electronic message contains information generated by the USDA solely for the intended recipients. Any unauthorized interception of this message or the use or disclosure of the information it contains may violate the law and subject the violator to civil or criminal penalties. If you believe you have received this message in error, please notify the sender and delete the email immediately.

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Thanks,

Daniel Hoff

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James VanHout, Darcy VanHout, and Daniel Hoff are current claim holders of the Golden Meadows. It is believed from panning and hand sampling that gold exist in paying quantities in the gravels present. This document is an overview of the proposed bulk exploration notice of intent.

Below is a USGS map showing the location of the Golden Meadows. The blue tag is the location of the claim. This area is located at Township 1S, Range 7E, Section 18 in the NE1/4. The corners of the claim are as follows; NW corner N43°57'59.95", W103°19'40.75"; NE corner N43°57'59.53", W103°19'21.37"; SE corner N43°57'46.18", W103°19'21.37"; SW corner N43°57'46.85", W103°19'40.57" (Note: The blue box is a rough location of claim). This map shows the hydrology around the proposed area. There is mapped an intermittent creek. It has never been seen to flow with water by current claim owners. There are no other active creeks, streams, rivers, or lakes within one-half mile of the proposed area.

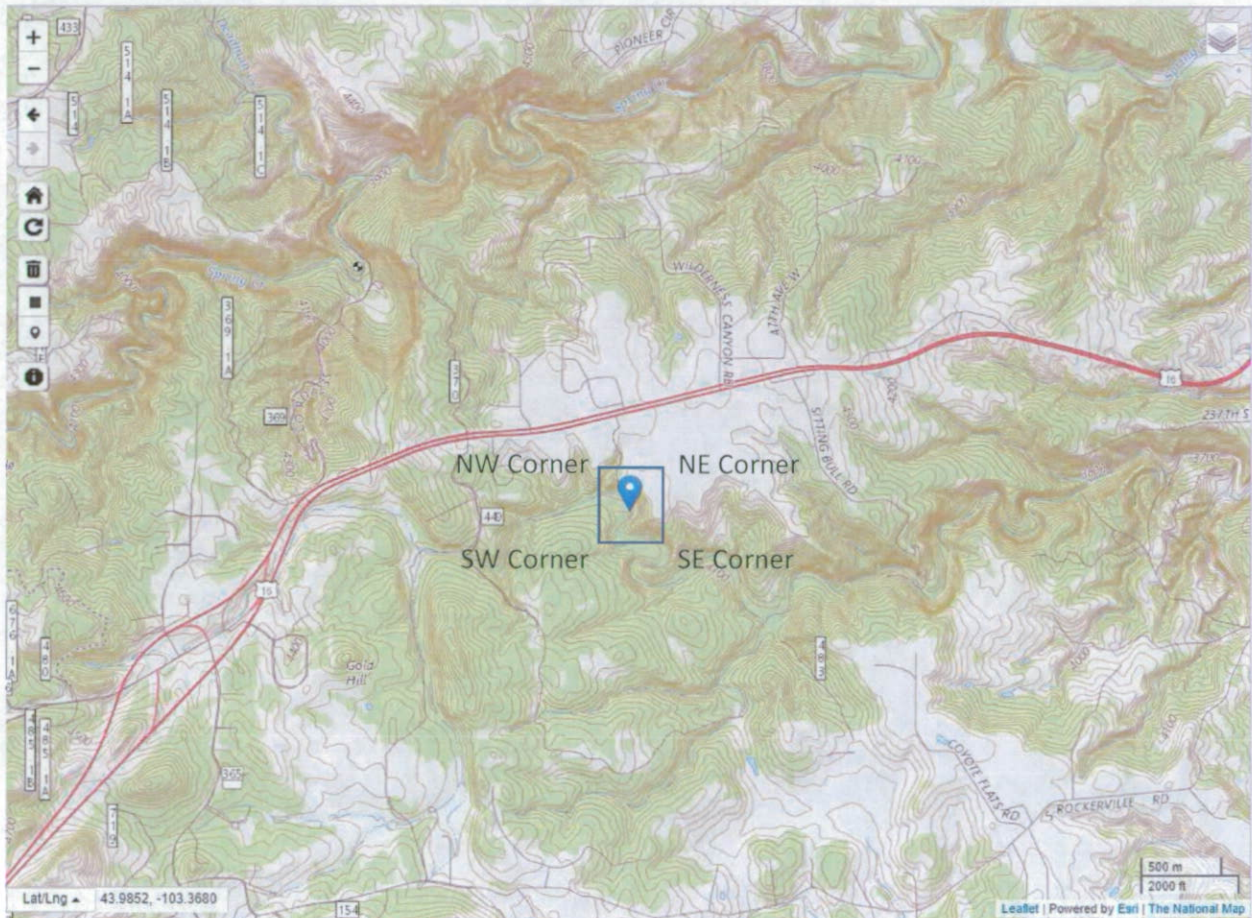


Figure 1: USGS map of area