

January 8, 2008

Mr. Bruce Smith
Western Water and Land
743 Horizon Court, Suite 330
Grand Junction, CO 81506

Dear Bruce:

During May of 2007, we received a number of samples for the Grand Mesa project. These samples were all analyzed for total cyanide, as well as for a number of other parameters. A number of samples reported "hits" above the method detection limit. These samples are listed in the table below.

ACZ Lab No.	Sample ID	Date/Time
L62747-03	Palisade Spring	5/21/2007 11:25
L62777-01	Upper Res. Spring	5/22/2007 9:05
L62777-02	Upper Rapid Creek Intake	5/22/2007 11:45
L62777-03	Upper Reservoir	5/22/2007 10:15
L62777-04	Lower Rapid Creek	5/22/2007 14:15
L62777-05	RC-3	5/22/2007 15:50
L62806-01	Lower Cottonwood Intake	5/23/2007 15:20
L62858-04	Mike's Spring	5/24/2007 11:00
L62858-05	RC-2	5/24/2007 16:10
L62858-06	Birch Spring	5/24/2007 17:00
L62858-09	Cyanide Trip Blank	5/24/2007

After further review of the data and information provided by Western Water and Land, we have determined that these "hits" for total cyanide were actually false positives results. Due to the nature of the samples, it is highly unlikely for natural cyanide to be present at levels reported. We believe the samples were cross-contaminated from another client's samples that were very high in total cyanide. The glassware was not cleaned as well as it should have been and total cyanide was carried over from the previous high samples. In addition, sample L62858-09 was a trip blank, and when the trip blank has a positive hit, it points directly to lab contamination. We will be more diligent in analysis and data review in the future. We apologize for the inconvenience. Please let me know if there is anything else we can do at this time.

Sincerely,



Sue Webber
Project Manager