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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 18, 2018

Denise A. Dragoo
Snell & Wilmer L.L.P.
15 West South Temple
Suite 1200
SLC, UT 84101

Subject: UtahAmerican Energy Inc.'s request to schedule a further informal conference.

Ms. Dragoo,

The Division received your request to schedule an additional informal conference for partial reconsideration of the fact of violation and any penalty assessed under the Cessation Order issued on June 1, 2018 ("CO").

The Division conducted an informal conference regarding this matter on June 28, 2018. Following that conference, the Division issued its Order dated August 27, 2018. Given that the Division thoroughly reviewed this matter previously, your request for an additional informal conference is denied. The Order you received on August 27, 2018 stated unequivocally that no penalty had been assessed, and that only the fact of the violation was at issue. Therefore, because no penalty has been assessed, there is no occasion for a penalty assessment conference under Utah Administrative Rule R645-401-600.

At this point UtahAmerican Energy Inc. is free to pursue relief in front of the Utah Board of Oil, Gas, and Mining.

Respectfully,

Dana Dean
Associate Director, Division of Oil, Gas, and Mining.