State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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S/003/034

September 18, 2003

David Penney
Penney's Gemstones
2400 East 30 South
Box 312
Beaver, Utah 84713

Subject: Termination of Suspension and Operator Name Change, David Penney Permits, Beaver, Box Elder, Juab, and Millard Counties, Utah

Dear Mr. Penney:

On September 8, 2003, the Division notified you that your mining operations were placed in suspension for failure to pay the required permit fees for year 2003. We have since received your permit fees; therefore, your mines are no longer in suspension, and you may continue with your operations as outlined. In order to avoid this from happening in the future, payment of the fee by the due date would be appreciated.

You also requested that we change the mine operator name from David Penney to Penney's Gemstones, LLC or Earth's Partners, LLC for your 10 small mine sites and one exploration site. In checking with the Division of Corporations, your business licenses do not include the acronym of LLC; it only shows Penney's Gemstones and Earth's Partners. At this time, we will make the name change to Penney's Gemstones or Earth's Partners, but will not include the acronym of LLC. If our legal counsel determines that a permit transfer be completed to make this change legal, we will advise you of this at a later date. Unless you hear differently from us in this regard, be assured that the operator name has been changed.

If you have any questions, regarding this letter, please contact me or Tom Munson at (801) 538-5382 or 538-5321 respectively. Thank you for keeping your mine permit in good standing.

Sincerely,

D. Wayne Hedberg, Permit Supervisor
Minerals Regulatory Program
Utah Division of Oil, Gas and Mining

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