Form MR-SMO
(Revised 5/11/2000)

Permit Denied Returned to operator 9/5/00 along w/ check. Permit Fee Paid ck# 0923

This Section for DOGM Use:
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DOGM Lead: /

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

RECEIVED
JUL 10 2000
DIV. OF OIL, GAS & MINING

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" means mining operations which disturb five or less surface acres at any given time.

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I. **GENERAL INFORMATION** (Rule R647-3-104)

1. Name of Mine: South Pass

2. Name of Operator/Applicant: Terra Stone
Company (X) Corporation ( ) Partnership ( ) Individual ( )

3. Permanent Address: 245 So Orange Street
City: Salt Lake City State: Ut Zip Code: 84104
Telephone Number: (801) 977-0380 Fax: 801-977-9989

4. Ownership of Land Surface:

Private (Fee) (X) Public Domain (BLM) ☐ National Forest (USFS) ☐
State Trust Land/School Sections (X) State Sovereign Lands ☐
Other (please describe):

Name Max Kunzler Address Rosette, Utah
Name Address
Name Address
Name Address

5. Ownership of Minerals:

Private (Fee) ☐ Public Domain (BLM) ☐ National Forest (USFS) ☐
State Trust Land/School Sections ☒ State Sovereign Lands ☐
Other (please describe):_____

Name_____ Address_____
Name_____ Address_____
Name_____ Address_____
Name_____ Address_____

Utah Mining Claim Number(s):_____

Utah State Lease Number(s): 46649

Name of Lessee(s) Jeffrey L. Sagers

6. Have the above surface and mineral owners been notified in writing?
Yes X No ____

If no, why not?_____

*Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration **prior** to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.*

7. Does the operator have legal right to enter and conduct mining operations on the land covered by this notice? Yes X No ____

II. PROJECT LOCATION & MAP (Rule R647-3-105)

1. Project Location (legal description):

County(ies): Box Elder

NW 1/4, of ____ 1/4, of ____ 1/4: Section: 27 Township: 13N Range: 16W
____ 1/4, of ____ 1/4, of ____ 1/4: Section: ____ Township: ____ Range: ____
____ 1/4, of ____ 1/4, of ____ 1/4: Section: ____ Township: ____ Range: ____

UTM East _____ (if known) UTM North _____ (If known)

Name of Quad Map for Location Lynn Reservoir

2. A topographic base map showing the location of the proposed small mining operation must be submitted with this notice. A USGS 7.5 minute series map is preferred. The areas to be disturbed should be plotted in sufficient detail so that they can be located on the ground. It is recommended that the operator also photo document, plot and label any pre-existing disturbances in the immediate vicinity that he is not responsible for.

3. The proposed (5 acre or less) disturbed area boundary (including access/haul roads) **must** be marked in the field ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers must be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

III. OPERATION PLAN (Rule R647-3-106)

1. Type of mining: Surface ☒ Underground ☐

2. Mineral(s) to be mined: Quartzite

3. Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process?
Yes ☐ No ☒ If yes, please describe (add extra pages if needed) _____

4. Provide a brief description of the proposed mining operation and onsite processing facilities (add extra pages if necessary). Mining will be conducted by a track hoe, and material moved to splitters via front end loader

5. ☐ New Road(s): Length_____(ft) Width_____(ft)

6. ☒ Improved Road(s): Length 300 (ft) Width 10 (ft)

7. Total project surface acreage to be disturbed: 5 (acres)

8. Proposed startup date of project (month, year) immediately

9. Proposed completion date of project, if known (month, year) not Known

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining:

1. *Keep the mining operation in a safe, clean, and environmentally stable condition.*
2. *Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.*
3. *Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.*
4. *Construct berms, fences, or barriers, when needed, above highwalls and excavations.*
5. *Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.*

6. *Remove all waste or debris from stream channels.*

7. *Dispose of any trash, scrap metal, wood, machinery, and buildings.*

8. *Conduct mining activities so as to minimize erosion and control sediment.*

9. *Reclaim all roads that are not part of a permanent transportation system.*

10. *Stockpile topsoil and suitable overburden prior to mining.*

11. *Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.*

12. *Properly prepare seedbed to a depth of six inches by ripping, discing, or harrowing.*

13. *Reseed disturbed areas with adaptable species. (The Division recommends seeding 20 lbs./acre of native and introduced species of grass, forb, and browse seed, and will provide a specific species list if requested.)*

14. *Plant the seed with a rangeland or farm drill, or if broadcast seeded, harrow or rake the seed 1/4-1/2 inch into the soil - fall is the preferred time to seed.*

V. VARIANCE REQUEST (Rule R647-3-110)

Yes ☐ No ☒

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above, should be identified below and justification given for the variance request(s).

Item Number	Variance Request Justification

VI. PERMIT FEE [Mined Land Reclamation Act 40-8-7(l)]

The Utah Mined Land Reclamation Act of 1975 [40-8-7 (l)] provides the authority for the assessment of permitting fees. Commencing with the 1998 fiscal year (July 1 - June 30), permit fees are assessed to new and existing notices of intention and annually thereafter.

Small Mining Notices require a $100.00 fee which must accompany this application.

VII. SIGNATURE REQUIREMENT

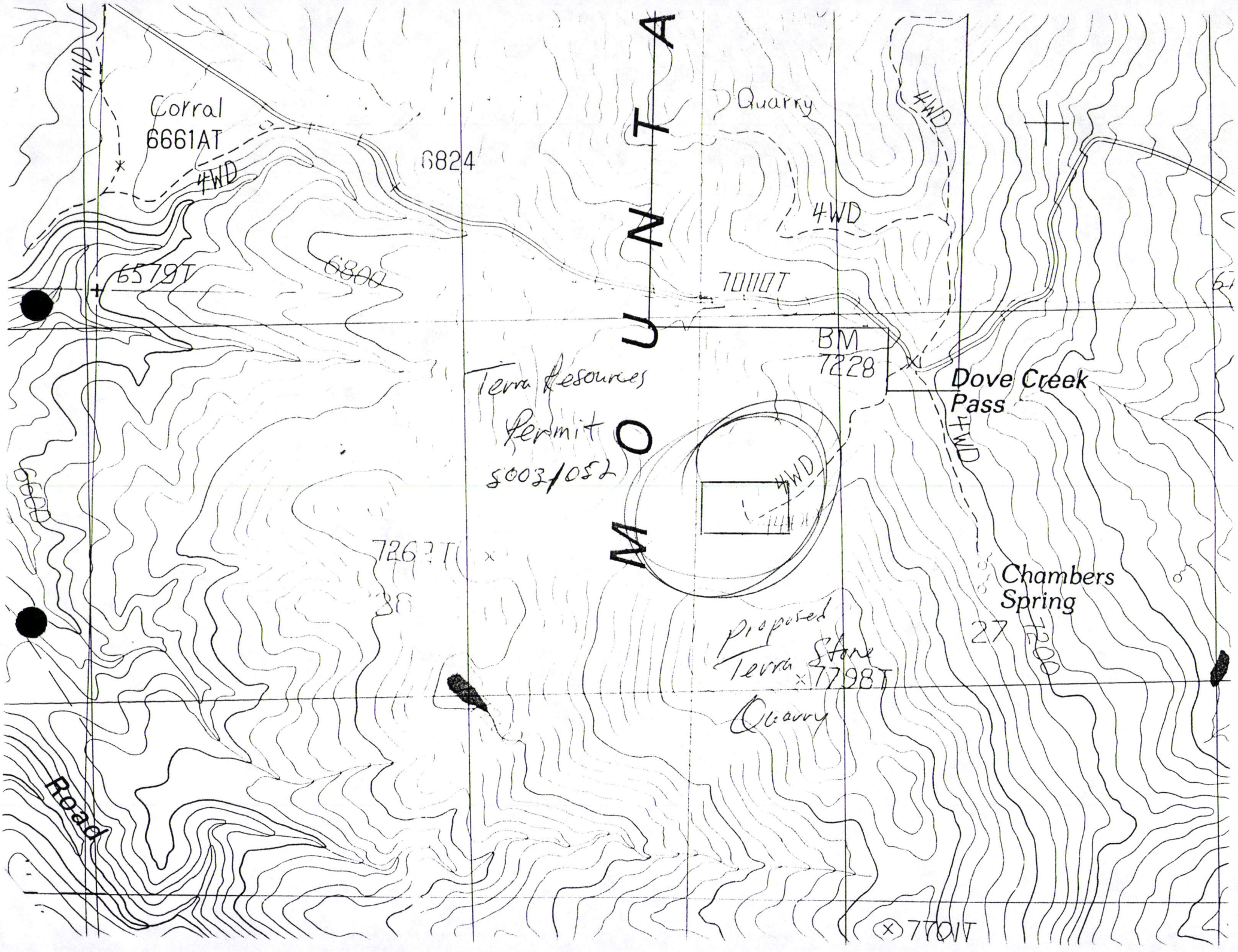
I hereby commit to conduct mining operations and to reclaim the aforementioned small mine as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.

Signature of Operator/Applicant: Jeffrey L. Sagers

Name (typed or printed): Jeffrey L. Sagers

Title/Position (if applicable): Owner

Date: 6/26/00



MOUNTA
Corral
6661AT
4WD
6824
6579T
6800
Quarry
4WD
4WD
7000T
BM
7228
Dove Creek
Pass
4WD
Terra Resources
Permit
5003/052
4WD
6600
7262T
Chambers
Spring
27
7200
Proposed
Terra Stone
Quarry
7798T
Road
7701T