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

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

TERRA RESOURCES LLC
2016 SOUTH MONTANA AVE
PROVO UT 84606

ATTENTION: JEFF SAGERS

ANNUAL PERMIT FEE

Annual Permit Fees (July 2002 thru June 2003)

PROJECT NAME	PROJECT ID	ACRES	BILLING DATE
DOVE CREEK PASS	S030052	NA	06/27/2002

PERMIT TYPE	PROJECT STATUS
SMALL MINING OPERATION < 5 ACRES	ACTIVE

ANNUAL FEE
$ 150

DUE DATE	AMOUNT DUE
07/26/2002	$ 150

Please see enclosed instructions for payment.

Please retain this portion for your records. For billing Information call (801) 538-5291

This portion MUST be returned with your payment to ensure proper credit. THANK YOU

ACCOUNT BILLED	PROJECT NAME	PROJECT ID
TERRA RESOURCES LLC	DOVE CREEK PASS	S030052

DUE DATE	ANNUAL FEE	AMOUNT DUE
07/26/2002	$ 150	$ 150

TAX ID OR SOCIAL SECURITY #

☐ FEE NOT ENCLOSED

Permittee requests an inspection to close out this permit.

Change of Address

Contact _____

Address _____

_____

_____

State _____ Zip _____

Phone _____

DIVISION OF OIL GAS AND MINING
1594 WEST NORTH TEMPLE SUITE 1210
PO BOX 145801
SALT LAKE CITY UT 84114-5801

Please make check payable to:
Division of Oil, Gas and Mining

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

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

June 27, 2002

Re: **Permit Fees for 2002-2003 Fiscal Year, Minerals Regulatory Program**

Dear Permittee:

We are now entering our fifth year of annual permit fee assessment as authorized by the Utah State Legislature in 1998. In order to help balance shortfalls in Division Program funding, the legislature has approved an increase in the annual fees as follows:

Exploration projects	from $100.00	Now $150.00
Small Mines	from $100.00	Now $150.00
Large Mines (less than 50 acres disturbed)	from $350.00	Now $500.00
Large Mines (over 50 acres disturbed)	from $750.00	Now $1,000.00

The minerals rules require the payment of an annual permit fee for all ***active*** exploration and mining ***permits*** (**note**: the ***project*** may be ***inactive***; however, if the site has not been fully reclaimed and released by the Division, the ***permit remains active***. The permit fees are due by the last Friday of July for the next fiscal year.

Permit Fees for the 2002-2003 fiscal year are due by July 26, 2002.

Note: If the site is fully reclaimed ***(i.e., 3 growing seasons have passed & conditions meet the 70% pre-mining vegetation standard)*** and you no longer wish to keep your permit active, you may ***check the box*** on the billing form requesting a site inspection ***(see #5 on the attached sheet).***
Before you check the box requesting an inspection and file closure, please make certain that all mining related waste, trash and debris have been removed, and that the vegetation is well established.

Delinquent fee notifications will be turned over to the Utah Office of Debt Collection (see #6 on attached sheet). The Division cannot accept payment for delinquent fees. Only the current year fees are accepted and processed by the Division. Payment of any delinquent fees from previous years must be arranged through the Office of Debt Collection – call (801) 538-3603.

Please see reverse side of this sheet for detailed instructions on the payment of fees.

Sincerely,

D. Wayne Hedberg

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

Utah!
Where ideas connect

Instructions for Payment of Fees

1. ***Collection of Permit Fees***
   The Utah Legislature authorized the collection of permit fees in the Minerals Program to begin July 1, 1998. The purpose of fee collection is to provide supplemental funding for additional program assistance in processing and maintaining mining and exploration permit applications and inspection of those sites.

Please note: Some companies/operators may be receiving more than one billing form. It is important to return each one of those forms to ensure proper credit.

2. ***Fees Are Assessed as Follows:***

Notices of Intent	Annual Fee
Exploration Operations	$150.00
Small Mining Operations (5 or less disturbed acres)	$150.00
Large Mining Operations (less than 50 disturbed acres*)	$500.00
Large Mining Operations (more than 50 disturbed acres*)	$1,000.00

(*For Large Mining Operations, the fees are based on the disturbed acreage permitted/bonded.)

3. ***Fees Due Date***
   Fees are due by the last Friday in July, for all permitted operations or applications presently under Division review. Fees will also be due upon submission of a new permit application or a permit amendment/revision which increases the acreage to a new fee category.

4. ***Failure to Pay***
   Failure to pay the permit fee will result in cancellation of a permit to mine or explore ***(site reclamation is still required by the operator)***.
   New permit applications will not be processed if the fee is not enclosed with the application.

5. ***Opportunity to Close Out a Permit***
   Permittees have the opportunity to close out a permit and not pay the fee. To be eligible to close out a permit, you must return the enclosed billing form with the appropriate box checked. You will then be contacted by the Division to arrange for an onsite inspection. The area must be fully reclaimed and in a stable condition to be eligible for closing out a permit. ***If the area is suitably reclaimed, then NO FEE WILL BE DUE***. If the area is not yet suitably reclaimed, then a new billing notice will be issued and the permittee will be given 30 days from the date of the onsite inspection to pay the fee.

6. ***Delinquent Fees***
   All permit fees which remain uncollected 30 days after the due date will be turned over to the Utah Office of Debt Collection (ODC). Additional penalties, interest and collection fees will be assessed by the ODC.

7. ***Change of Address***
   Please note any address changes on the return form. (NOTE: An **operator cannot be changed** on this form. This must be accomplished through a formal permit transfer).

8. ***Questions or Comments***
   Please contact me at (801) 538-5286 or Joelle Burns at (801) 538-5291.

jb
O:\FEES\fee-initial req-2002.doc