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

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Michael O. Leavitt
Governor

Lowell P. Braxton
Division Director

September 21, 1998

Barry R. Peterson
K Four Ranch, Incorporated
1648 South 600 West
Oakley, Idaho 83346

Re: Acceptance of Notice of Intention to Commence Small Mining Operations, Gold Star Quarries Project, S/003/049, Box Elder County, Utah

Dear Mr. Peterson:

Thank you for your Notice of Intention to Commence Small Mining Operations, received by the Division on September 1, 1998. The application for the proposed Gold Star Quarries Project, located in the E1/2 of the NE1/4 of Section 21, and the W1/2 of the NW 1/4 of Section 22, T14N, R17W, SLBM, Box Elder County, Utah is complete and no additional information is required at this time.

The Utah Mined Land Reclamation Act of 1975 [40-8-7(I)] provides the authority for fee implementation which was approved by the Utah Legislature at its 1998 session. Commencing July 1, 1998, the fees are assessed to new and existing notices of intention, and annually thereafter. Small Mining Notices require a $100.00 fee which must be received prior to initiating any mining activities. Your initial permit application fee was received on September 1, 1998.

You requested variances from the Mining and Reclamation Practices for items 10-14. **Variances are granted for items 10 and 14 only** because the topsoil and overburden piles were pre-existing at this site. If you wish variances for items 11, 12, and 13, you must provide the Division with further justification for these items. The variances only apply to previously disturbed areas. Any new disturbance will require topsoil salvage and seeding.

For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices," and the statutory penalty for failure to reclaim a minesite (SMO-1). Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements. Approval of a large mining notice could take from six to twelve months or longer.

A Memorandum of Understanding between this Division and the State Department of Environmental Quality (DEQ) requires us to notify them upon receipt of a mining application. If you haven't already done so, you are advised to contact their office prior to starting your small mining operation to determine whether additional permits and/or approvals are required. We will forward a copy of this letter and your notice to the DEQ for their review. Their address and phone number is: Department of Environmental Quality, 288 North 1460 West, Salt Lake City, Utah, 84116, (801) 538-6146.

Approval of mineral exploration or mining operations by the Division of Oil, Gas and Mining does not constitute approval to commence operations upon lands under state mineral leases/school sections administered by the School and Institutional Trust Lands Administration, or federal lands managed by the Bureau of Land Management (BLM) or United States Forest Service (USFS). Before conducting mining operations on these lands, the operator must provide written notification, meet bonding requirements, and obtain written approval from the appropriate agency. School and Institutional Trust Lands Administration can be reached at: 675 East 500 South, Salt Lake City, Utah 84102; phone number (801) 538-5100. You will need to contact the appropriate BLM Resource Area or USFS Ranger District for their requirements.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely,

Lynn Kunzler
Senior Reclamation Specialist

jb
Enclosure
cc: Kiran Bhayani, DWQ w/NOI
Tracking File
S003049.noi