JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

Notice of Violation ☐ No. _____
Cessation Order ☒ No. MC2006-03-08-01

CERTIFIED RETURN RECEIPT # 7004 2510 0004 1824 4929

To the following Permittee or Operator:

Permittee/Operator Name: Miracle Rock Mining and Research

Mine Name: The Rockland Mine ☒ Surface ☒ Underground ☐ Other

County: Emery State: Utah Telephone Number: 435-286-2222

Business Address: 400 South 200 East, P. O. Box 76, Emery, Utah 84522

Permit Number: M0150040

Ownership Category: ☒ State ☐ BLM ☐ USFS ☐ Fee ☐ Other

Date of Inspection: No on-site inspection performed Time: _____ ☐ a.m. ☐ p.m. to _____ ☐ a.m. ☐ p.m.

Under authority of the Utah Mined Land Reclamation Act, Section 40-8-1 et seq., ***Utah Code Annotated,*** 1953, the undersigned authorized representative of the Division of Oil, Gas, and Mining has conducted an inspection of above mine on above date and has found that a Notice of Violation or Cessation Order must be issued with respect to the conditions, practices, or violations listed. In accordance with Section 40-8-9, ***Utah Code Annotated,*** you are ordered to cease immediately the operations or activity described and to perform the required actions described within the designated time for abatement.

The undersigned representative finds that **this order** ☒ **does require cessation of all mining;**
☐ **does not require cessation of all mining.**

For this purpose, "mining" means development of, or extraction of a mineral deposit, including transportation within or from the mine site, concentrating, milling, evaporation, or other processing. Mining and/or reclamation operations not directly the subject of this order shall continue while this order is in effect. You are responsible for doing all work in a safe and workmanlike manner.

This order shall remain in effect until it is modified, terminated or vacated by written notice of an authorized representative of the director of the Division of Oil, Gas, and Mining.

Date of service/mailing: August 8, 2006 Time of service/mailing 3:30 ☒ a.m. ☑ p.m.

David Taylor — President
Permittee or Operator Representative — Title

Signature

Paul B. Baker — Reclamation Biologist
Division of Oil, Gas & Mining Representative — Title

Signature

060001

SEE REVERSE SIDE

IMPORTANT – READ CAREFULLY

1. PENALTIES.

a. **Proposed assessment.** The Division of Oil, Gas, and Mining (DOGM) assesses fines based upon a proposed assessment recommended by an assessment officer. You may submit written information pertaining to violation(s) covered by this order within 15 days of the date this notice or order is served on you or your agent. Information will be used by the assessment officer in determining facts surrounding the violation(s) and amount of penalty. A representative of the DOGM will serve the proposed assessment on you or your agent within 30 days of issuance of notice or order.

b. **Assessment.** The penalty will be final unless you or your agent file a written request within 15 days of receipt of proposed assessment for an informal hearing before the assessment officer.

For each violation included in this notice, a penalty of up to $5,000 may be assessed for each separate day the violation continues.

If you fail to abate any violation within the time set for abatement or for meeting any interim step, you will be assessed an additional minimum penalty of $750 for each day of continuing violation beyond the time set for abatement. In addition, if you fail to abate any violation as required you will be issued a Cessation Order requiring you to cease mining operations on the portion of the operations relevant to the violation.

2. STOP WORK CONFERENCE.

A Stop Work Conference may be requested if this notice requires cessation of all mining. On the reverse of this page, the authorized representative has made a finding as to whether or not this notice requires cessation of all mining. (See Utah Admin. R647-6-102.4 et seq.)

You must request the Stop Work Conference within 30 days after service of this Cessation Order. The conference must be held within 5 days of your request. You will be notified of the date, time, and location of the conference.

Please send your conference request to:

Administrative Secretary
Associate Director of Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

3. FORMAL REVIEW AND TEMPORARY RELIEF.

You may apply for review of this notice, order or proposed assessment before the Board of Oil, Gas, and Mining by submitting an application for hearing within 30 days of receipt of notice or assessment by you or your agent. Apply to:

Secretary
Board of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

If applying for a formal board hearing, you may submit with your petition for review a request for temporary relief from this notice. Procedures for obtaining a formal board hearing are contained in the board's Rules of Practice and Procedure and in Utah Admin. R. 647-5 et seq.

4. INDIVIDUAL CIVIL PENALTIES.

An additional individual civil penalty of up to $5000 per day may be assessed against any corporate director, officer, or agent who knowingly and willfully authorized, ordered or carried out a violation or who fails or refuses to comply with an order.

For further information, consult ***Utah Code Annotated*** Section 40-8-9, 9.1, Utah Admin. R. 647-6, 7, 8 seq. or contact the Division of Oil, Gas, and Mining at (801) 538-5304.

Cessation Order NO. MC2006-03-08-01

Violation No. 1 of 1

Nature of condition, practice, or violation:

Failure to maintain adequate reclamation surety.

Failure to file and gain approval of a notice of intention to commence large mining operations prior to beginning large mining operations.

Provisions of act, regulations, or permit violated:

R647-4-113; UCA 40-8-7(c); R647-4-101; UCA 40-8-13 (1)(a)

(Check box if appropriate:)

X Condition, practice, or violation is creating an imminent danger to health or safety of the public.

X Permittee/Operator is/has been conducting mining activities without a permit.

X Condition, practice, or violation is causing or can reasonably be expected to cause significant, imminent environmental harm to land, air, or water resources.

__ Permittee or Operator has failed to abate Violation(s) No._____ included in Notice of Violation No. or Cessation Order No. M_____ within time for abatement originally fixed or subsequently extended.

Mining activity to be ceased immediately:

All mining activity is to be ceased immediately.

Affirmative obligation(s) or required action and abatement time (if applicable):

Perform one of the following two obligations:

1. By October 15, 2006, complete reclamation of the mine site.
2. (a) By September 1, 2006, submit a reclamation surety to the Division in the amount of $22,500.00, together with the associated reclamation contract and other forms necessary for the form of surety submitted.

   (b) Before mining can resume, a Notice of Intent to Commence Large Mine Operations (NOI) must be approved by the Division. By September 1, 2006, the Division must receive a response to its August 24, 2005, review of the Notice of Intention to Commence Large Mining Operations. Operator has an additional 60 days after submitting this response (not including Division review time) to ensure that it is approvable.

jb
cc: DOGM
Dave Taylor, Miracle Rock
John Blake, SITLA
File
O:\M015-Emery\M0150040-MiracleRock\Draft\mc06030802.doc