m/15/075

January 08, 2000

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JAN 20 2000
DIV. OF OIL, GAS & MINING

D. Wayne Hedberg
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

Re: 1999 Annual Report of Mining Operations

Dear Mr. Gallegos:

Please find enclosed documents concerning the Annual Report for the Year 1999 for our Jensen Quarry, Mine No. M/041/008 and San Rafael-Kimball Draw Quarry, Mine No. M/150/075.

The Annual Report for the Year 1999 shows the past year's activity at both the Jensen and San Rafael-Kimball Draw Quarries and the proposed activity for the production Year 2000. If there are any questions or additional information required, please feel free to contact me.

Sincerely,

Les Moore

Les Moore
Quarry/Mill Manager
(435) 896-2450

Enclosures

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FORM MR-AR
(Revised 3/98)

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
Telephone: (801) 538-5291
Fax: (801) 359-3940

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DIVISION OF
OIL, GAS AND MINING

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. *General Information*

1. Report Time Period: From (mo./yr.) **1/1999** To (mo./yr.) **1/2000**
2. DOGM File Number (Mine No): **M/150/075**
3. Mine Name: **San Rafael-Kimball Draw Quarry**
4. Mineral(s) Mined (or permitted to mine): **Gypsum**
5. Type of mine **X** Surface Mine or Underground Mine
6. Legal Description (Location of Lands Affected):
   ¼, **NE** ¼, **NW** ¼, Section **21** , Township **23S** , Range **8E**
   ¼, **NW** ¼, **NE** ¼, Section **21** , Township **23S** , Range **8E**
   ¼, **SW** ¼, **SE** ¼, Section **16** , Township **23S** , Range **8E**
7. Name of Operator or Company: **United States Gypsum Company**
8. Permanent Street Address: **125 South Franklin Street**
   City, State, Zip: **Chicago, IL 60606**
   Phone: **(435) 896-2400**
9. Company Representative (or designated operator):
   Name: **Les Moore**
   Title: **Quarry/Mill Manager**
   Business Address: **P.O. Box 570160**
   City, State, Zip: **Sigurd, UT 84657**
   Phone: **(435) 896-2450**

X **Please check if any of the above information has changed since previous year.**

II. *Mining and Reclamation*

1. Was there any mine related activity during the past year? **X** Yes No
2. If no – what was the last year of activity?
3. If yes – how much ore or mineral was mined? **239 Tons**
4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.

Approximately 945 cubic yards of shale and clay were stripped using a backhoe to expose gypsum in the open mining pit.

5. How much **additional acreage** was disturbed during the past year? **3.50 acres**
6. How much acreage was **reclaimed** during the past year? **0 acres**

7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

   No reclamation was completed in 1999. 5.07 acres of reclaimed core drilling disturbance associated with the project were released by the Division in 1998.

8. What is the **total disturbed acreage of entire project** at years end? **3.50 acres**
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

   Mining – No additional mining or disturbance is anticipated during 2000.
   Reclamation – No additional reclamation is anticipated during 2000.

NOTE: Section III., "Additional Information" applies only to **large mining operations**.

III. *Additional Information*

1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.

2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. *Signature Requirement*

I hereby certify that the foregoing is true and correct.

Name (Typed or Print): Les Moore

Title of Operator: Quarry/Mill Manager

Signature of Operator: Les Moore

Date: 1-17-00