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)

U S ENERGY CORP
877 N 800 W
RIVERTON WY 82501

ATTENTION: DANIEL ARIMA

ANNUAL PERMIT FEE

Annual Permit Fees (July 2001 thru June 2002)

PROJECT NAME	PROJECT ID	ACRES	BILLING DATE
TONY M/LUCKY STRIKE	M170001	33	06/30/2000

PERMIT TYPE	PROJECT STATUS
LARGE MINING OPERATION < 50 ACRES	INACTIVE

ANNUAL FEE
$ 350

DUE DATE	AMOUNT DUE
07/27/2001	$ 350

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
U S ENERGY CORP	TONY M/LUCKY STRIKE	M170001

DUE DATE	ANNUAL FEE	AMOUNT DUE
07/27/2001	$ 350	$ 350

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

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June 27, 2001

Re: **Permit Fees for 2001-2002 Fiscal Year, Minerals Regulatory Program**

Dear Permittee:

We are now entering our fourth year of annual permit fee assessment as authorized by the Utah State Legislature. The fees provide funding to administer the mineral regulatory program. Revenues are used to process and maintain exploration and mining permit applications and for inspection of those sites. The minerals rules require the payment of an annual permit fee for all active exploration and mining permits. The annual fees are due by the last Friday of July for each year that a permit remains active *(a permit is active until the site is fully reclaimed and subsequently released by the Division).*

If the site is fully reclaimed and you no longer wish to keep your permit active, you may check the box on the form requesting a site inspection. This will suspend your fee payment until the Division can schedule an inspection to determine if the reclamation meets the required revegetation performance standard. If we find that reclamation and revegetation is complete, then the site can be released, the permit/file is closed and no fee will be required. However, if reclamation does not meet the required performance standards, then the assessed payment(s) will be due and payable within 30 days of our site inspection.

As a result of performing follow up inspection requests, we have found numerous instances where the reclamation was incomplete and the site could not be released.

Note: ***Before you check the box requesting an inspection and file closure, please make certain that your site is fully reclaimed, that all mining related waste, trash and debris have been removed, and that the vegetation is well established.***

To date, some operations have been turned over to the Utah Office of Debt Collection (ODC) for failure to pay delinquent fees. These operations will still receive a billing notice from this office for this fiscal year. Please pay the current year billing directly to this office. Any outstanding delinquent fees must be paid directly to the ODC.

Please refer to the attached instructions for the payment of fees.

Sincerely,

D. Wayne Hedberg

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

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	$100.00
Small Mining Operations (5 or less disturbed acres)	$100.00
Large Mining Operations (less than 50 disturbed acres*)	$350.00
Large Mining Operations (more than 50 disturbed acres*)	$750.00

(*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.

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

jb
fee-initial req-01