BROMIDE MINING LLC
80 SW 8TH ST STE 2000
MIAMI, FL 33130

1842

63-27/631 FL
987

DATE July 11, 2016

PAY TO THE ORDER OF Division of Oil, Gas and Mining $ 3,410.00

Three Thousand Four Hundred Ten 3 00/100 DOLLARS

Security Features Details on Back.

Bank of America

ACH R/T 063100277

ORIGINAL CHECK
ROUTED TO ACCOUNTING

FOR S/017 /0031 MN-2016-42-03

7243

RECEIVED
JUL 14 2016
DIV. OF OIL, GAS & MINING

7243

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

June 22, 2016

CERTIFIED RETURN RECEIPT
7013 2250 0000 2310 2422

Erez Goldbraber
Bromide Mining, LLC
80 Southwest 8th ST STE 2000
Miami, FL 33130

RECEIVED
JUL 13 2016
DIV. OF OIL, GAS & MINING

Subject: Proposed Assessment for State Notice of Violation No. MN-2016-42-03, Bromide Mining, LLC, Bromide Basin Mine, S/017/0031, Garfield County, Utah

Response Due By: 30 Days of Receipt

Dear Mr. Goldbraber:

The undersigned has been appointed by the Division of Oil, Gas & Mining as the assessment officer for assessing penalties under R647-7.

Enclosed is the proposed civil penalty assessment for the above referenced cessation order (CO). The CO was issued by Division inspector, Wayne Western, on March 9, 2016 (received by the operator March 15, 2016). Rule R647-7-103 et. seq. has been utilized to determine the proposed penalty of $3,410.00. The enclosed worksheet outlines how the civil penalty was assessed.

By these rules, any written information which was submitted by you or your agent within fifteen (15) days of receipt of this NOV has been considered in determining the facts surrounding the violation and the amount of this penalty.

1594 West North Temple, Suite 1210, Salt Lake City, UT 84116
PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

UTAH DNR OIL, GAS & MINING

S/017/0031 3,410.00

Under R647-7-106, there are two informal appeal options available to you. You may appeal the 'fact of the violation', the proposed civil penalty, or both. If you wish to informally appeal you should file a written request for an informal conference within thirty 30 days of receipt of this letter.

The informal conference will be conducted by a Division-appointed conference officer. The informal conference for the fact of the violation is distinct from the informal assessment conference regarding the proposed penalty. If you wish to review both the fact of the violation and proposed penalty assessment, you should file a written request for an assessment conference within thirty (30) days of receipt of this letter. In this case, the assessment conference will be scheduled immediately following the review of the fact of the violation.

If a timely request for review is not made, the fact of the violation will stand, the proposed penalty will become final, and will be due and payable within thirty (30) days of the date of this proposed assessment (by July 25, 2016). Please remit payment to the Division, mail c/o Sheri Sasaki.

Sincerely,

Lynn Kunzler
Assessment Officer

LK: eb
Enclosure: Proposed assessment worksheet
cc: Sheri Sasaki, Accounting
Vickie Southwick, Exec. Sec.
P:\GROUPS\MINERALS\WP\M017-Garfield\S0170031-Bromidebasin\non-compliance\MN2016-42-03\passltr-7243-03282016.doc

WORKSHEET FOR ASSESSMENT OF PENALTIES
DIVISION OF OIL, GAS & MINING
Minerals Regulatory Program

NOV / CO #: MN-2016-42-03 PERMIT: S/017/0031
COMPANY / MINE Bromide Mining, LLC / Bromide Basin Mine

ASSESSMENT DATE June 21, 2016
ASSESSMENT OFFICER Lynn Kunzler

I. HISTORY (Max. 25 pts.) (R647–7-103.2.11)

A. Are there previous violations, which are not pending or vacated, which fall three (3) years of today's date?

PREVIOUS VIOLATIONS	EFFECTIVE DATE	POINTS (1pt for NOV 5pts for CO)
MC-2013-42-03	07/21/2014	5
MN-2015-42-03	03/01/2016	1
MC-2015-42-06	03/01/2016	5

TOTAL HISTORY POINTS 11

II. SERIOUSNESS (Max 45pts) (R647–7-103.2.12)

NOTE: For assignment of points in Parts II and III, the following apply:
1. Based on facts supplied by the inspector, the Assessment Officer will determine within each category where the violation falls.
2. Beginning at the mid-point of the category, the Assessment Officer will adjust the points up or down, utilizing the inspector=s and operator=s statements as guiding documents.

Is this an EVENT (A) or Administrative (B) violation? Event (A)
(assign points according to A or B)

A. EVENT VIOLATIONS (Max 45 pts.)

1. What is the event which the violated standard was designed to prevent?
Environmental harm and water pollution

2. What is the probability of the occurrence of the event which a violated standard was designed to prevent?

PROBABILITY	POINT RANGE
None	0
Unlikely	1-9
Likely	10-19
Occurred	20

ASSIGN PROBABILITY OF OCCURRENCE POINTS 15

PROVIDE AN EXPLANATION OF POINTS:
Inspector indicated that oil has spilled on the ground at the bulk oil storage facility, which could contaminate the soils and enter the surface and/or ground water systems. Points are therefore assigned at the mid-point of the likely range.

3. What is the extent of actual or potential damage:

Oil spill has stained approximately 4-6 square feet of soil. This is not considered a major spill and is unlikely to enter the groundwater system.

ASSIGN DAMAGE POINTS(RANGE 0-25) 5

In assigning points, consider the duration and extent of said damage or impact, in terms of area and impact on the public or environment.

PROVIDE AN EXPLANATION OF POINTS:

See also comments under #3 above – this is considered a minimal amount, therefore points assigned at 1/5 of the point range.

B. ADMINISTRATIVE VIOLATIONS (Max 25pts)

1. Is this a POTENTIAL or ACTUAL hindrance to enforcement? _____

Assign points based on the extent to which enforcement is actually or potentially hindered by the violation.

ASSIGN HINDRANCE POINTS NA

PROVIDE AN EXPLANATION OF POINTS: _

TOTAL SERIOUSNESS POINTS (A or B) 20

III. DEGREE OF FAULT (Max 30 pts.) (R647-7-103.2.13)

A. IF SO--NO NEGLIGENCE; or, , IF SO--GREATER DEGREE OF FAULT THAN NEGLIGENCE.

	Point Range
No Negligence (Was this an inadvertent violation which was unavoidable by the exercise of reasonable care?)	0
Negligence (was this a failure of a permittee to prevent the occurrence of a violation due to indifference lack of diligence, or lack of reasonable care?)	1-15
Greater Degree of Fault (was this a failure to abate any violation or was economic gain realized by the permittee?	16-30

STATE DEGREE OF NEGLIGENCE *Greater Degree of Fault*

ASSIGN NEGLIGENCE POINTS 20

PROVIDE AN EXPLANATION OF POINTS:

This is the third time this operation has been cited for oil spills. This demonstrates a greater degree of fault than Negligence. Points are therefore assigned at 1/3 the point range for Greater Degree of Fault.

IV. GOOD FAITH (Max 20 pts.) (R467-7-103.2.14)

(Either A or B) (Does not apply to violations requiring no abatement measures, or violations not abated at the time of assessment)

Has Violation Been Abated? yes

A. EASY ABATEMENT (The operator had onsite, the resources necessary to achieve compliance of the violated standard within the permit area.)

	Point Range
Immediate Compliance (Immediately following the issuance of the NOV)	-11 to -20
Rapid Compliance (Permittee used diligence to abate the violation. Violation abated in less time than allotted.)	-1 to -10
Normal Compliance (Operator complied within the abatement period required, or, Operator requested an extension to abatement time)	0

B. DIFFICULT ABATEMENT (The operator did not have the resources at hand to achieve compliance, or the submission of plans was required prior to physical activity to achieve compliance.)

	Point Range
Rapid Compliance (Permittee used diligence to abate the violation. Violation abated in less time than allotted.)	-11 to -20
Normal Compliance (Operator complied within the abatement period)	-1 to -10
Extended Compliance (Operator complied within the abatement period required, or, Operator requested an extension to abatement time) (Permittee took minimal actions for abatement to stay within the limits of the violation, or the plan submitted for abatement was incomplete.)	0

EASY OR DIFFICULT ABATEMENT? Easy Abatement

ASSIGN GOOD FAITH POINTS 0

PROVIDE AN EXPLANATION OF POINTS: *Division was notified of abatement being completed on the due date for abatement. Since this is considered an easy abatement, good faith points are not awarded if abatement is completed within the abatement period. (with or without an extension).*

V. ASSESSMENT SUMMARY (R647-7-103.3)

I.	TOTAL HISTORY POINTS	11
II.	TOTAL SERIOUSNESS POINTS	20
III.	TOTAL NEGLIGENCE POINTS	20
IV.	TOTAL GOOD FAITH POINTS	0
	TOTAL ASSESSED POINTS	51

TOTAL ASSESSED FINE **$3,410.00**