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

Michael O. Leavitt
Governor
Robert L. Morgan
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)

KAIBAB INDUSTRIES
4602 E THOMAS RD
PHOENIX AZ 85018

ATTENTION: BARRY HATCH/MERLIN ESPLIN

ANNUAL PERMIT FEE

Annual Permit Fees (July 2003 thru June 2004)

PROJECT NAME	PROJECT ID	ACRES	BILLING DATE
KAIBAB GOLD - MILLSITE	S170038	NA	06/27/2003

PERMIT TYPE	PROJECT STATUS	ANNUAL FEE
SMALL MINING OPERATION < 5 ACRES	ACTIVE	$ 350

DUE DATE	AMOUNT DUE
07/25/2003	$ 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
KAIBAB INDUSTRIES	KAIBAB GOLD - MILLSITE	S170038

DUE DATE	ANNUAL FEE	AMOUNT DUE
07/25/2003	$ 350	$ 350

TAX ID OR SOCIAL SECURITY #

☐ **FEE NOT ENCLOSED**

Permittee requests an inspection to close out this permit.

Change of Address

Contact _____

Address _____

_____

E-Mail 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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www.nr.utah.gov

Michael O. Leavitt
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June 27, 2003

Re: **Permit Fees for 2003-2004 Fiscal Year, Minerals Regulatory Program**

Dear Permittee:

We are now entering our sixth year of annual permit fee assessment as authorized by the Utah State Legislature in 1998. Even though there are shortfalls in Division Program funding, the legislature did not increase the annual permit fees. They remain at:

Exploration projects	$150.00
Small Mines	$150.00
Large Mines (less than 50 acres disturbed)	$500.00
Large Mines (over 50 acres disturbed)	$1,000.00

The minerals rules require the payment of an annual permit fee for all ***active*** exploration and mining ***permits*** (**note**: the ***project/mine*** may be ***inactive***; however, if the site has not been fully reclaimed and released by the Division, the ***permit remains active***. The permit fees are due by the last Friday of July.

Permit Fees for the 2003-2004 fiscal year are due by July 25, 2003.

Note: If the site is fully reclaimed ***(i.e., 3 growing seasons have passed & conditions meet the 70% pre-mining vegetation standard)*** and you no longer wish to keep your permit active, you may ***check the box*** on the billing form requesting a site inspection ***(see #5 on the attached sheet).***
Before you check the box requesting an inspection and file closure, please make certain that all mining related waste, trash and debris have been removed, and that the vegetation is well established.

Delinquent fee notifications will be turned over to the Utah Office of Debt Collection (see #6 on the reverse side of this sheet). The Division cannot accept payment for delinquent fees. Only the current year fees are accepted and processed by the Division. Payment of any delinquent fees from previous years must be arranged through the Office of Debt Collection – call (801) 538-3603.

Please see reverse side of this sheet for detailed instructions on the payment of fees.

Sincerely,

D. Wayne Hedberg

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

Utah!
Where ideas connect

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 receive more than one billing form (i.e. multiple mines/projects). 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	$150.00
Small Mining Operations (5 or less disturbed acres)	$150.00
Large Mining Operations (less than 50 disturbed acres*)	$500.00
Large Mining Operations (more than 50 disturbed acres*)	$1,000.00

(*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 required permit fee will automatically suspend an operator's authorization to mine or explore ***(site reclamation is still required by the operator)***. Permit revocation and an Order to reclaim the site may subsequently be required by the Board of Oil, Gas and Mining after Notice and Hearing.

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. (NOTE: An **operator cannot be changed** on this form. This must be accomplished through a formal permit transfer).

8. ***Questions or Comments***

Please contact me at (801) 538-5286 or Joelle Burns at (801) 538-5291.

jb
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