State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 3, 2006

James Wesley Hill
741 Bittle Lane
Moab, Utah 84532

Subject: DOGM Receipt of Reclamation Surety, $2000 and Reclamation Contract Requirements, James W. Hill, Mystery-ML45848 Mine, S/019/034, Grand County, Utah

Dear Mr. Hill:

Due to a Memorandum Agreement between SITLA and DOGM, the administration of reclamation surety bonds has been transferred to the Division. On July 18, 2006, the Division received a check from SITLA in the amount of $2000.00 that served as SITLA reclamation surety for the Mystery-ML 45848 site. **In order to apply this surety to your small mining operation (SMO), it is necessary to complete the reclamation surety contract (form MR-RC) immediately.**

Please contact Minerals Surety Coordinator, Beth Ericksen at 801-538-5318, so the contract can be emailed to you. This contract shall be signed by an authorized person of the company, notarized and returned in its original form to the Division, attention Minerals Regulatory Program.

On June 8, 2006, a Division letter was mailed to all small mine operators requiring a reclamation surety bond for small mines within the state of Utah. This letter has a deadline of December 8, 2006 to meet the surety bond requirements. Additional reclamation surety bond requirements may be necessary. Please contact the reclamation specialist for Grand County, Paul Baker, 801-538-5261, to obtain assistance in the determination of potential additional surety and permitting requirements.

1594 West North Temple, Suite 1210, 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*

If you have any questions or require further discussion, please contact any of the mentioned persons in this letter or myself at 801-538-5325.

Sincerely,

Susan M White

for Daron Haddock
Permit Supervisor
Minerals Regulatory Program

SMW:BE;be
Enc: copy of $2000 check
Cc: Beth Ericksen, OGM
Paul Baker, OGM
Susan White, OGM
P:\GROUPS\MINERALS\WP\M019-Grand\S0190034-Mystery\final\SITLAMoniesrecvdMystery.doc

STATE OF UTAH

TO: EDWARD T. ALTER, U[redacted] STATE TREASURER
DIVISION OF FINANCE, 2110 STATE OFFICE BLDG, SALT LAKE CITY, UTAH 84114
STATE VENDORS

WARRANT NUMBER
F 6626369

PAYABLE ON
UTAH STATE TREASURER
SALT LAKE CITY, UTAH 84114
31-289
1240

PAY TWO THOUSAND DOLLARS AND 00 CENTS

VOID ONE YEAR FROM DATE

MONTH	DAY	YEAR	PAY THIS AMOUNT
06	29	06	$ ******2,000.00

000RFD
TO THE ORDER OF

DIVISION OF OIL, GAS, & MINING
1594 WEST NORTH TEMPLE
SUITE 1210
SALT LAKE CITY UT 84114--5801

Richard Blickenstaff
DIVISION OF FINANCE

COPY

DETACH BEFORE CASHING
STATE OF UTAH, Division of Finance
2110 State Office Building, Salt Lake City UT 84114

AGY	VOUCHER #	INVOICE #	DESCRIPTION	AMOUNT
550	6TLA0101915	3/3/06 MNA	ML 45848 - TRANSFER BOND	2,000.00

James Wesley Hill

Permit # S1019034

Mineral lease #: ML 45848

RECEIVED
JUL 18 2006
Div. of Oil, Gas & Mining

000RFD 03 DATE: 06-29-06 WARRANT NO: F 6626369 TOTAL $2,000.00

CTRL: 0001260