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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 2, 2015

CERTIFIED RETURN RECEIPT
70140150000011942753

Eric Lewis
GR 200 Plus, LLC
PO Box 681271
Houston Texas 77268

Subject: Proposed Assessment for State Failure to Abate Cessation Order MN-2014-68-03, GR200 Plus LLC, GR 200 Plus Mine, S/019/0066, Grand County, Utah

Response Due By: 30 Days of Receipt

Dear Mr. Lewis:

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 failure to abate cessation order. This order was issued by Division inspector Mike Bradley on December 4, 2014. Rule R647-7-103 et. seq. has been utilized to determine the proposed penalty of $22,500.00. The amount is based on $750.00/day for 30 days.

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

Under rule R647-7-106, there are two informal appeal options available. 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

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UTAH DNR OIL, GAS & MINING

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 March 6, 2015). Please remit payment to the Division, mail c/o Sheri Sasaki.

Sincerely,

Lynn Kunzler
Assessment Officer

LK: mj
cc: Sheri Sasaki, Accounting
Vickie Southwick, Exec. Sec.
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