Reviewed 2/6/06 [illegible]

FORM MR-AR
(Revised 1/2006)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
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Salt Lake City, Utah 84114-5801
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DIV. OF OIL, GAS & MINING

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. *General Information*

1. Report Time Period: From (mo./yr.) 1-05 To (mo./yr.) 12-05
2. DOGM File Number (Mine No): S/021/036
3. Mine Name: Quartz Hill
4. Mineral(s) Mined (or permitted to mine): Decorative Rock
5. Type of mine: ☒ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected):
   Lots 14 & 19 ~~1/4~~, ~~1/4~~, ~~1/4~~, Section 3, Township 36S, Range 17W
   ____1/4, ____1/4, ____1/4, Section ____, Township ____, Range ____
   ____1/4, ____1/4, ____1/4, Section ____, Township ____, Range ____
7. Name of Operator or Company: Kerry Holt Hay Cubes, Inc.
8. Permanent Street Address: 37 W 100 N - P.O. Box 249
   City, State, Zip: Enterprise, UT 84725
   Phone: 435-878-2721 Fax: Same E-mail: ____
9. Company Representative (or designated operator):
   Name: Kerry Holt
   Title: President
   Business Address: P.O. Box 249
   City, State, Zip: Enterprise, UT 84725
   Phone: 435-878-2721 Fax: Same E-mail: ____
   ☐ **Please check if any of the above information has changed since previous year.**

II. *Mining and Reclamation*

1. Was there any mine related activity during the past year? Yes ☐ No ☒
2. If no - what was the last year of activity? None

3. Report the gross amount of ore mined and waste moved, as well as the arrangement, positioning, or distribution of the material. _____

4. Briefly describe the type of work performed, during the past year._____

5. How much **new or additional acreage** was disturbed during the past year?_____

6. How much acreage was **reclaimed** during the past year? _____

7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results. (Submit form MR-SITE for an application for full or partial bond/site release).

8. What is the **total disturbed acreage of entire project** at years end?_____

9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

10. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.

NOTE: Section III., "Additional Information" applies only to **large mining operations.**

III. *Additional Information - R647-4-121.2*

1. **Include an updated map depicting surface disturbance and reclamation performed during the year**, prepared in accordance with Rule R647-4-105.

IV. *Signature Requirement*

I hereby certify that the foregoing is true and correct.

Name (Typed or Print): Kerry Holt

Title of Operator: President

Signature of Operator: Kerry Holt

Date: Jan 25, 2006

Jb
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