PERMIT CHRONOLOGY

Thomas J. Peck & Sons, Inc.
Nephi Sandstone Corporation

Nephi Gypsum Mine
M/023/011

(November 20, 1997)

August 21, 1985	Letter to Tony Peck from DOGM stating that he is mining without a permit.
November 28, 1985	Received NOI from Thomas J. Peck & Sons, Inc., signed by Robert Steele.
December 12, 1985	Memo to file - regarding air conservation committee meeting regarding Peck Mining operation. Purpose of meeting is to make a decision of a fine for mining under a Cease & Desist Order imposed by Air Quality. Decision made to impose a time frame to have sprinkling system installed. If Peck fails to meet schedule, a pre-arranged fine would be imposed.
December 30, 1985	Received picture of area and hand drawn map. Also a request for variance for highwalls.
February 14, 1986	Letter to Robert Steele, Thomas J. Peck & Sons - sending them the mining and reclamation plan review. Deficiencies need to be addressed. Time should be set up with John Whitehead to meet on issues.
February 25, 1986	Memo to file - Field inspection made 2/9/86 to help facilitate review of NOI. Berm on Salt Creek needs maintenance work. The operation had encroached the stream and possible erosion of the north bank.
September 11, 1986	Memo to file - Meeting between Air Quality and Peck Mining held 8/29/86. Dust control still a problem - Water system did not eliminate the problem. A road to be constructed to a location off to the side and close to the fines, then a water cannon placed there. Pile of fine gypsum but no market found for it yet.
September 15, 1986	Memo to file - Field inspection made 9/10/86. No serious problems were noted, including Salt Creek.
March 31, 1987	Memo to file - Site inspection made 3/11/87 to help Mr. Bob Steele complete mine and reclamation plan. Observations: (1) road constructed and water cannon in place; (2) native seed mix planted in higher area of quarry; (3) slumping occurring until it reaches more stable angle of repose. If market is not found for fine gypsum, it will have to be graded down and covered with soil during reclamation.

March 31, 1987	Letter to Robert Steele - Review of Mining and Reclamation Plan (MRP) and maps. Concurred with highwall and slope variance and with planting seed in mined out area. More information needed on reclamation of roads and stockpile area before approval can be granted. Requested information be submitted by May 1, 1987.
April 21, 1987	Letter from Diane Strong informing DOGM of Air Quality Public Hearing in regard to Pecks mining operation.
June 29, 1987	Certified letter sent to Robert Steele stating a revised MRP had not been submitted.
August 17, 1987	Memo to Board - Request for Board to issue Order to Show Cause for failure to submit revised MRP. Permit history attached to memo. No response to DOGM letters and phone calls.
October 27, 1987	Order to Show Cause issued by Board. Pecks to appear 12/3/87 for failure to obtain mining approvals. Signed by Greg Williams, Chairman of Board. ***Note: On a copy of the Order to Show Cause is a note from Frank Filas - "Tony Peck refused to accept delivery of this letter."**
December 4, 1987	Letter requesting 1987 annual report.
January 11, 1988	"Division Recommendation" in the matter of the Order to Show Cause issued to Thomas J. Peck & Sons, Inc. (1) File $15,000 surety by 3/23/88; and (2) Peck to submit complete MRP by 3/23/88. If these conditions are not met then an Order for immediate cessation of operations. If this is not met by 5/25/88 then direct permanent cessation and reclamation will be issued.
January 20, 1988	Certified letter to Mr. Steele giving tentative approval of MRP. Surety of $15,000 to be posted prior to 1/28/88 then the Board Hearing will be canceled.
January 21, 1988	Memo to File - January 14, 1988, Bob Steele met with DOGM in preparing MRP, acceptable to both parties. If the $15,000 reclamation surety bond is posted prior to January Board, the Order to Show Cause will be canceled.
January 25, 1988	Notice of Tentative Approval sent to newspapers for publication.
February 11, 1988	"Order" issued - Hearing on 1/28/88 regarding the Order to Show Cause. Pecks had not submitted the $15,000 surety. Ordered to submit $15,000 surety by 2/16/88 or immediately cease all mining operation including all

	onsite transportation of stockpiled material. Order signed by Greg Williams 2/11/88.
February 11, 1988	Letter from Deseret Bank, Lehi Office, stating a $15,000 Standby Letter of Credit (LOC) #114 was issued for Thomas J. Peck & Sons. - Expiration Date 2/11/89. Letter stated that LOC could be extended for a consecutive five year period.
February 23, 1988	Certified letter to Stephen Swenson, Deseret Bank acknowledging receipt of LOC. Sent bank the Collateral Bonding and Indemnity Agreement form to accompany the LOC. LOC accepted providing that it is extended by November 11 each year and increased to cover inflation (5 year schedule shown).
March 2, 1988	Annual report for 1988 received. Tried to make phone call 3/6/89 regarding the annual report to verify if stockpiled material had been removed during 1988 and if so how much. No answer.
March 22, 1988	Memo to Board - Seeking concurrence on form and amount of surety. Executive Summary and reclamation estimate was attached.
May 4, 1988	Collateral Bonding & Indemnity Agreement signed and in place. Greg Williams & Tom Peck signed.
May 4, 1988	Letter to Tony Peck stating final approval of MRP and LOC was given by Board 4/28/88. Also reminding them to renew and update LOC by November 11 of each calendar year.
May 9, 1988	Memo to file - Field inspection made 5/6/88. Recommendations to operator to repair Salt Creek berm; also stated slope stability concern.
May 20, 1988	Letter to Robert Steele stating concerns of 5/6/88 inspection.
July 19, 1988	Memo to file - Site inspection made 7/7/88 regarding holes in Salt Creek berm. No reply from operator since the letter telling him of this concern. Will follow up this visit with phone call. Photos taken of area and placed in file.
July 21, 1988	Memo to file - Phone call made to Bob Steele's home at 10:30 p.m. 7/21/88. Phone call referencing letter. He said he couldn't remember if he received letter or not. Problem discussed. Mr. Steele stated he would construct sediment controls.

November 16, 1988	Letter to Tony Peck stating that DOGM had received a new LOC #117 for $15,300 replacing #114.
December 2, 1988	Memo to file - Site inspection made 12/2/88 in regard to the berm problem. The main concern had been corrected. Another smaller hole could not be inspected due to snow cover. No activity noted during this inspection but recent activity had taken place probably within 24-48 hours. No environmental health or safety problems were noted.
December 6, 1988	Memo to file - Brief stop made by Holland Shepherd at the mine site. Berm had been repaired, snow cover prevented eastern berm to be inspected.
February 3, 1989	Letter to Robert Steele requesting 1988 annual reports.
November 13, 1989	Received letter from Deseret Bank stating new LOC #118 in place for $15,600. Expires 2/11/91.
November 14, 1989	Letter to Tony Peck stating new LOC #118 received from Bank.
January 5, 1990	Letter to Robert Steele requesting 1989 annual report.
January 29, 1990	Received annual report for 1989.
December 27, 1990	Letter to Robert Steele requesting 1990 annual report.
February 28, 1991	Received annual report for 1990.
April 24, 1991	Memo to file - Phone call made to Deseret Bank in Lehi telling them no renewal was made on the LOC which expired 2/11/91. Mrs. Peck had called bank a couple of weeks prior and told them that the mine was no longer active. Sterling Orton released the surety to Pecks. The bank was formerly Deseret Bank but is now First Security.
May 3, 1991	Certified letter to Thomas J. Peck stating that the surety release was made without Division concurrence and that immediate reinstatement of surety must be made in the amount of $15,900. Deadline of 5/10/91 given.
May 20, 1991	Irrevocable Standby Letter of Credit dated 5/16/91 for $15,900 in place. Expires 5/9/92.
October 7, 1991	Letter to Thomas J. Peck regarding permit transfer and release of $15,900 surety. Permit to be transferred to Jack Dansie (operator - obtained lease

	from Robert Steele). Transfer form and Reclamation Contract sent along with letter. Surety cannot be released until new forms and surety are in place.
January 13, 1992	Letter to Robert Steele requesting annual report for 1991.
January 14, 1992	Letter from First Security Bank stating that LOC for $15,900 will not be renewed. Will expire 5/9/92.
January 21, 1992	Certified letter to Thomas J. Peck stating the First Security Bank will not renew LOC, and a replacement surety must be in place before the LOC expires 5/9/92. Deadline of 5/1/92 given.
February 14, 1992	Received annual report for 1991.
April 28, 1992	Letter to Anthony Peck - Reclamation estimate of $17,900 enclosed along with Reclamation Contract. LOC will be acceptable as long as it follows DOGM format (copy of format enclosed). Copy of letter sent to First Security Bank.
May 7, 1992	Letter to Anthony Peck - Transfer form sent.
May 13, 1992	Received Irrevocable Standby Letter of Credit from First Security Bank for $17,900. Expires 5/8/92. Anthony Peck posted surety.
October 9, 1992	Letter to Mrs. Thomas Peck regarding verbal request to transfer mine permit to another operator - (Probably Anthony Peck or Jack Dansie, current operator of mine). Also a letter (drafted by DOGM) asking for Division help in getting the mine transferred, which Mrs. Peck could just sign, was enclosed. Another reminder that until the transfer is complete and a new surety in place and approved, the reclamation responsibility is still under Thomas J. Peck and Sons.
October 9, 1992	Division received letter from Mr. Tom Peck, representing Thomas J. Peck and Sons. The letter formally states that Thomas J. Peck and Sons no longer operates the Nephi Gypsum site. The letter asks that the current operator is Jack Dansie/Robert Steele.
December 11, 1992	The Division sent a letter to Mr. Anthony Peck (individual who has posted the current surety for the mine). The letter stated that Thomas J. Peck and Sons had requested that the operator responsibilities be transferred to the current operator of the site. A reclamation contract and transfer form was sent along with the letter (the transfer form was already partially filled out by Thomas J. Peck and Sons). A date of January 8, 1993 was established for a response.

January 20, 1993	No response from the operator has been received to this date.
February 1, 1993	Annual report received for 1992 signed by Robert L. Steele. Operator name listed as J. W. Dansie with Robert Steele as representative. Mine is active and mined @50,000 Ton.
June 14, 1993	Memo to file regarding June 3, 1993 site inspection. Purpose of the inspection was to discuss the transfer of the site's operator status and the status of the recently developed reclamation surety. The mine is currently being operated (contract mined) by Jack Dansie. Mr. Peck and Mr. Steele indicated they would continue to use an ILOC as the surety vehicle for the time being. Discussions of the requirement and urgency of completing the operator transfer form and reclamation contract. Mr. Peck and Mr. Steele indicated they would do this right away. Mr. Peck indicated he would probably be the operator and Mr. Jack Dansie would continue to operate the site as a subcontractor. Thomas J. Peck and Sons has asked the Division to transfer the site's operator status to another operator other than Thomas J. Peck and Sons.
December 13, 1993	Request for 1993 annual report.
February 28, 1994	Received 1993 annual report - signed by Jack Dansie. Mine active and produced 52,000 tons.
December 15, 1994	Request for 1994 annual report.
January 26, 1995	Received 1995 annual report listing Nephi Sandstone as Operator, Robert Steele owner. Report signed by Mr. Steele. Mine active - produced @70,000 tons.
April 5, 1995	Certified Letter sent regarding the transfer form and reclamation agreement which was sent to Tony Peck 12/11/92. In October 1992, Thomas Peck signed a transfer form and requested the mine permit be formally transferred to current operator (Robert Steele and/or Jack Dansie). Thomas Peck was listed as the authorized representative for the operator. Partially completed transfer form and Reclamation Contract sent. Please submit forms by April 28, 1995.
July 12, 1995	Memo to file regarding Meeting held at DOGM office regarding permit transfer and reclamation contract. At the meeting Robert Steele informed DOGM that Nephi Sandstone Corporation (Jack Dansie and sons, Craig & Bruce) has been contract mining the quarry for the past 3-4 years. He indicated only a verbal agreement and handshake and some form of signed

indemnification clause/agreement exists between the parties. Jack Dansie's sons are presently operating the mine and are trying to force their father out of the corporation. A legal battle is ongoing between the family members. Mr. Steele felt it unlikely that Craig and Bruce would take over the reclamation responsibility and post a replacement surety for the mine. DOGM records list Thomas J Peck and Sons as the operator; Tony peck filed a replacement reclamation surety in May 1992. Thomas Peck & sons have requested the mine permit and bonding requirements be transferred to the present mine operator. Mr. Steele stated that he and Tony Peck (his partner & co-owner?) would probably end up having to reclaim the mine site. He said he would have Mr. Peck jointly sign the required forms with him. He believes that Thomas J. Peck and Sons should retain some of the reclamation responsibility because of their previous mining involvement. DOGM requested Mr. Steele to submit the completed and signed forms by July 25, 1995. He agreed to do so.

July 21, 1995

Memo to file. Site inspection to evaluate the current status of the operation compared with the approved mining plan and conduct a vegetation survey of adjacent areas. DOGM staff met Craig Dansie on site. Mr. Dansie indicated he inherited the contract and/or company (?) from his father and has been involved at the site for approximately 3 years. Craig recently purchased a portion of private property (@1 3/4 acres) in the middle of the current stockpile area. He was informed that an amendment to the plan needed to be completed for this new area and the transfer documents needed to clarify the operator/owner relationships. Craig asked about the possibility of keeping his property separate from the mine permit. Craig estimates the quarry to have a mine life of 2+ years. DOGM said they would have to consider the situation before deciding how to handle this new area.

July 28, 1995

Note to File: Bob Steele called to explain why he had not met the July 25th deadline. Tony Peck has been vacationing in Canada. The forms are completed to the extent possible, pending Mr. Peck's signature. Forms would be delivered to DOGM by 8/1/95. Mr. Steele still believes that Nephi Sandstone Corp should be the operator ultimately held responsible for bonding and reclamation of the site. He doesn't think this will likely occur unless the court finds in favor of Jack Dansie. Mr. Dansie retains a major interest in the corporation 1/3 interest. If Mr. Dansie wins the legal battle, his sons will no longer have any right to act on behalf of Nephi Sandstone Corp or operate the mine. Mr. Steel's "verbal" contract is with Nephi Sandstone Corp.

August 1, 1995

Note to file: Bob Steele called this date (Tuesday) and informed DOGM that Tony Peck was vacationing and had not returned home as expected on July 30th. Mr. Steele was unable to obtain Mr. Peck's signature on the

	reclamation contract or permit transfer form. Mr. Steele will get signatures and hand deliver them if necessary. A last extension was granted to the end of the week - other actions would be necessary if we did not have the forms by Friday (Aug. 4).
December 13, 1995	Request for 1995 annual report.
April 12, 1996	Second request for 1995 annual report.
December 10, 1996	Request for 1996 annual report.
November 17, 1997	Certified letter sent requesting updated maps of the quarry. It is DOGM's understanding that maps have been completed. Please submit within 30 days.

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