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

Olene S. Walker
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

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801-359-3940 (Fax)
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12/29/2004

GEMSTONE MINING INC.
599 N 800 W #6
CEDAR CITY UT 84720

Re: Request for Annual Report for the Year 2004.

Dear Sirs:

The enclosed report form(s) for the Mine(s) referenced below need to be completed and returned to this office by January 31, 2005.

Mine Status	Mine Number	Mine Name	Contact Person
INACTIVE	S230018	BERYL 1	CLINT CHRISTENSEN
INSPECT	M010045	RED EMERALD	DOMINIQUE MERZ

Annual reports are required by Rules R647-3-116 and R647-4-121 of the Division's Amended and New Rules, Minerals Reclamation Program.

Reports are required regardless of annual mine activity, unless you have received a written waiver or formal release from reclamation obligations from the Division.

Thank you for your cooperation and prompt attention to this matter.

Sincerely,

Darron R. Haddock

Darron R. Haddock
Permit Supervisor
Minerals Reclamation Program