This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number S1023/0057 Mine Name ML 47821 & 46956
Operator _____ Date Sent Dec 17 2015
TO _____ FROM _____

__CONFIDENTIAL X BOND CLOSURE __LARGE MAPS __EXPANDABLE
__MULTIPUL DOCUMENT TRACKING SHEET __NEW APPROVED NOI
__AMENDMENT _OTHER _____

Description YEAR-Record Number

__NOI __Incoming X Outgoing __Internal __Superceded
Notice of File Closure & Surety Release 2015-12172015

__NOI __Incoming __Outgoing X Internal __Superceded
Bond File 2015-12172015

CONFIDENTIAL

__NOI __Incoming __Outgoing X Internal __Superceded
Bond File 2015-12172015

__NOI __Incoming __Outgoing __Internal __Superceded

__TEXT/ 81/2 X 11 MAP PAGES __11 X 17 MAPS __LARGE MAP

COMMENTS: _____

CC: _____

Form (MA-RC)

Date: 4/29/2014

STATE OF UTAH
DEPARTMENT OF NATUAL RESOURCES
DIVISION OF OIL, GAS AND MINING

MODIFICATION OF ATTACHMENT A
TO THE
RECLAMATION CONTRACT

RECEIVED
MAY 12 2014
DIV. OF OIL, GAS & MINING

Name of Operator: Michael and/or Sandra Sprunger

Permit Number: S/023/0057

Mine Name: ML47821 & 46956/Cubical 2

Phone Number: 435-846-2174

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

Check the boxes that apply to this form:

Surety:
- ☐ Decrease
- ☒ Increase
- ☐ Replacement

Reason:
- ☐ Amendment to NOI
- ☐ Cancellation/ Termination of surety
- ☒ Escalation
- ☐ Partial Release of surety
- ☐ Other

Explain: Surety for this permit was escalated, operator increased a CD that is being held for reclamation surety. New amount of CD #. is $5,284.80. Escalation year 2019.

Surety Dollar Amount Associated With This Action: $2,900.72

Surety Aggregate Amount: $8,300.72

Included in this modification (surety must be attached)

Instrument(s):

- ☐ Corporate Surety
- ☐ LOC Letter of Credit
- ☒ CD Certificate of deposit
- ☐ Cash
- ☐ Rider
- ☒ Amendment
- ☐ Addendum
- ☐ Other

Explain: CD increased to $5,284.80.

Other surety not affected by this modification will remain part of Attachment A and labeled as such.
This Modification will be effective as of the last date signed below

Authorized Officer Signature: Michael Sprunger — Printed: Michael Sprunger — Title: Boss/owner — Date: May 3, 2014

Division Director: For John R. Baza — Date: May 19, 2014
Utah Division of Oil, Gas and Mining

FACT SHEET

RECEIVED
MAY 12 2014
DIV. OF OIL, GAS & MINING

Commodity: Minerals for collectors

Mine Name: ML 47821 & 46956/Cubical 2

Permit Number: S/023/0057

County: Juab

Disturbed Acres: <1.0 acre

Operator Name: Michael & Sandra Sprunger

Operator address: P.O. Box 369 Oak City, UT 84649

Operator telephone: 435-846-2174

Operator fax: none

Operator email: none

Contact: above

Surety Type: CD

Held by (Bank/BLM): Wells Fargo

Surety Amount: 8,300.72

Surety Account Number: CD's # [redacted] and [redacted]

Escalation Year: 2019

Tax ID or Social Security (for cash only): _____

Surface owner: State/BLM

Mineral owner: State/BLM

UTU number: 329590

Acres: <1.0 acre

Form (MA-RC)

Date: April 24 07

STATE OF UTAH
DEPARTMENT OF NATUAL RESOURCES
DIVISION OF OIL, GAS AND MINING

MODIFICATION OF ATTACHMENT A
TO THE
RECLAMATION CONTRACT

Name of Operator: Michael and/or Sandra Sprunsw

Permit Number: S/023/057

Mine Name: ML47821 & ML46956 /cubical 2

Phone Number: 435 857 2572

Per the executed reclamation contract, the surety agreement for reclamation obligation is included as Attachment A to the reclamation contract as follows:

Check the boxes that apply to this form:

Surety:
- ☐ Decrease
- ☒ Increase
- ☐ Replacement

Reason:
- ☐ Amendment to NOI
- ☐ Cancellation/ Termination of surety
- ☐ Escalation
- ☐ Partial Release of surety
- ☒ Other

Explain: Initial Surety amount was inadequate.

Surety Dollar Amount Associated With This Action: $1235.64

Surety Aggregate Amount: $5409.72

Included in this modification (surety must be attached)

Instrument(s):

- ☐ Corporate Surety
- ☐ LOC Letter of Credit
- ☒ CD Certificate of deposit
- ☐ Cash
- ☐ Rider
- ☐ Amendment
- ☐ Addendum
- ☐ Other

Explain:

☑ APPROVED

Other surety not affected by this modification will remain part of Attachment A and labeled as such.
This Modification will be effective as of the last date signed below

Michael Sprunsw — Authorized Officer

Owner — Title

5/10/07 — Date

John R. Baza — Division Director, Utah Division of Oil, Gas and Mining

5/1/07 — Date

RECEIVED
MAY 14 2007
DIV. OF OIL, GAS & MINING

FORM MR-RC (SMO)
Revised August 9, 2006
RECLAMATION CONTRACT

File Number _____

Other Agency File Number_____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

RECEIVED
OCT 2 6 2006
Div. of Oil, Gas & Mining

---ooOoo---

SMALL MINE RECLAMATION CONTRACT

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between ***Michael and/or Sandra Sprunger*** the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. ***S/023/057*** which the Operator has filed with the Division and has been determined by the Division to be complete (Complete NOI) as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the lands affected by the mining operations in accordance with the Act and the regulations, and is obligated to provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to promptly reclaim in accordance with the requirements of the Act and applicable regulations, as they may be amended, all of the lands affected by the mining operations conducted or to be conducted pursuant to a Complete Notice of Intention.

2. The Lands Affected by the mining operations and subject to the requirements of the Act and this Contract include:

☑ APPROVED

A. All surface and subsurface areas affected or to be affected by the mining operations including but not limited to private on-site ways, roads, railroads; land excavations; drill sites and

workings; refuse banks or spoil piles; evaporation or settling ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, and waste discharge areas, structures, and facilities; and

B. All mining disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions included in the Complete NOI; provided lands may be excluded only if: (1) they were disturbed by mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with a complete notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the mining operations as described in the Complete NOI.

3. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI which are intended to assist in determining the location of the mining operations, to describe the areas of disturbance, and to assist estimating the amount of surety required.

4. The Operator prior to commencement of any mining operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as **ATTACHMENT A** to this Contract.

5. If the Surety expressly provides for cancellation or termination for non-renewal:

A. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety; or

B. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further mining activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or any other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety

☑ APPROVED

for the purpose of fully satisfying all of the reclamation obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the mining operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.

6. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by mining operations in accordance with the Act and regulations, as amended. If the mining operations are modified or for any other reason vary from those described in the Complete Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.

7. If reclamation of a substantial phase or segment of the Lands Affected by the mining operations is completed to the satisfaction of the Division, and the Division finds that such substantial phases or segments are severable from the remainder of the mining area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining mining operations as anticipated by the Complete Notice of Intention in accordance with the requirements of the Act and regulations, as amended.

8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the applicable rules.

9. Operator agrees to pay all legally determined public liability and property damage claims resulting from mining operations, to pay all permit fees, to maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.

10. Operator agrees to indemnify and hold harmless the State, Board, and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.

11. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.

☑ APPROVED

12. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease mining operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.

13. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.

14. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.

15. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the mining operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.

16. This Contract shall be governed and construed in accordance with the laws of the State of Utah.

☑ APPROVED

The signatory below represents that the Operator, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah, and that he/she is authorized to execute this Contract on behalf of the entity as Operator.

OPERATOR:

Mike Sprunger Oct 23 2006
Operator Name

By Mike Sprunger
Authorized Officer (Typed or Printed)

Individual
Authorized Officer - Position

Officer's Signature Date

STATE OF Utah)
) ss:
COUNTY OF Juab)

On the 23rd day of Oct., 2006, Mike Sprunger personally appeared before me, who being by me duly sworn did say that he/she is an owner (owner, officer, director, partner, agent or other (specify)) of the Operator Sprunger Minerals and duly acknowledged that said instrument was signed on behalf of said Operator by authority of its bylaws, a resolution of its board of directors or as may otherwise be required to execute the same with full authority and to be bound hereby.

Debra G. Robinson
Notary Public
Residing at Nephi, UT

11-08-2006
My Commission Expires:

DEBRA G. ROBINSON
Notary Public
State of Utah
My Commission Expires Nov. 08, 2006
3 North Main, Nephi, UT 84648

APPROVED

DIVISION OF OIL, GAS AND MINING:

By John R. Baza
John R. Baza, Director

12/13/2006
Date

STATE OF Utah)
) ss:
COUNTY OF Salt Lake)

On the 13 day of December, 2006, John R. Baza personally appeared before me, who being duly sworn did say that he, the said John R. Baza is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah, and he duly acknowledged to me that he executed the foregoing document by authority of law on behalf of the State of Utah.

DIANE HOLLAND
NOTARY PUBLIC - STATE OF UTAH
1594 W North Temple Suite 1210
Salt Lake City UT 84116
My Comm. Exp. 05/08/2010

Diane Holland
Notary Public
Residing at: Salt Lake City, Utah

05-08-2010
My Commission Expires:

FACT SHEET

Commodity: Topaz

Acres: less than one-acre disturbance on two 40-acre state leases and one 20-acre BLM mining claim

Mine Name: ML 47821&46956/CUBICAL2

RECEIVED
APR 2 4 2007
Div. of Oil, Gas & Mining

County: Juab

Operator Name: Michael and/or Sandra Sprunger
Operator Address: PO BOX 38054 Leamington UT
Operator Phone: 435-857-2572
Operator Email: none

The Division has received written notification from Bank that operator has increased the CD amount by $1235.64 for a cumulative $2393.80
Surety Type: CD
Surety Amount: $2393.80
Surety Account Number:

Surety Type: CD
Surety Amount: $1250.00
Surety Account Number:

Surety Type: CD (BLM and DOGM)
Surety Amount: $500.00
Surety Account Number:

Surety Type: CD
Surety Amount: $1265.92
Surety Account Number:

Bank Name: Wells Fargo
Bank Contact: Lon Wickel, Store Manager or Debbie Robinson
Bank Contact Phone: 435-623-2860

Escalation year: 2009

FACT SHEET

Commodity: Topaz

Acres: less than one-acre disturbance on two 40-acre state leases and one 20-acre BLM mining claim

Mine Name: ML 47821&46956/CUBICAL2

County: Juab

Operator Name: Michael and/or Sandra Sprunger
Operator Address: PO BOX 38054 Leamington UT
Operator Phone: 435-857-2572
Operator Email: none

Surety Type: CD
Surety Amount: $1148.44
Surety Account Number:

Surety Type: CD
Surety Amount: $1250.00
Surety Account Number:

Surety Type: CD (BLM and DOGM)
Surety Amount: $500.00
Surety Account Number:

Surety Type: CD
Surety Amount: $1265.92
Surety Account Number:

Bank Name: Wells Fargo
Bank Contact: Lon Wickel, Store Manager or Debbie Robinson
Bank Contact Phone: 435-623-2860

Surety aggregate amount: $4164.36

Escalation year: 2009

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 16, 2015

Lon R. Wickel
Wells Fargo Bank
3 North Main
Nephi, Utah 84648

Subject: Authorization for Full Release of Reclamation Surety, Certificates of Deposit, Michael Sprunger, ML 47821 & Ml 46956/Cubical 2, S/023/057, Juab County, Utah

Dear Mr. Wickel:

Wells Fargo Bank is presently holding the following certificate of deposit (CDs) for the benefit of the State of Utah, Division of Oil, Gas and Mining, the School and Institutional Trust Lands Administration, and the Bureau of Land Management as a form of reclamation surety for the ML 47821 & Ml 46956/Cubical 2 mine formerly operated by Michael and Sandra Sprunger:

CD Number	Principal Amount
	$5284.80
	$1250.00
	$500.00
	$1265.92
Total	$8300.72

This mine has been transferred to another entity which has furnished a replacement surety, so the Division authorizes release of these CDs. The Division realizes an interest penalty may be imposed for early withdrawal, but this will be at the discretion of the owner(s) of the CDs.

Please contact Paul Baker at 801-538-5261 or Dana Dean at 801-538-5320 if you have any questions about this authorization. Thank you for your help in this matter.

Sincerely,

John R. Baza
Director

JRB:whw:pb
cc: Michael and Sandra Sprunger
Todd Leeds, Fillmore BLM (tleeds@blm.gov); John Blake, SITLA (jblake@utah.gov)
P:\GROUPS\MINERALS\WP\M023-Juab\S0230057-Sprunger-3sites\final\CDRel-12152015.doc

1594 West North Temple, Suite 1210, Salt Lake City, UT 84116
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*

UTAH DNR OIL, GAS & MINING

Time Account Amendment Receipt

WELLS GO
WELLS FARGO

Banker Name:: KOOYMAN, PEGGY
Officer/Portfolio Number: U0658
Date: 04/24/2014
Banker Phone: 435/864-2730
Store Number: 02859
Banker AU: 0003045
Banker MAC: U1506-011

RECEIVED
APR 28 2014
DIV. OF OIL, GAS & MINING

Customer/Account Information

Requesting Customer Name: MICHAEL SPRUNGER
Customer Number (ECN): 7037304522
COID: 119
Product: CDA
Account Number:
Effective Date: 04/24/2014
Term: 6 months
Maturity Date: 10/19/2014
Additional Deposit: $2,891.00
NEW Time Account Value: $5,284.80
Fixed Rate: Yes
Interest Rate: 0.05%
Annual Percentage Yield: 0.05%
Renewal Term: 6 months

Interest rate and APY is dependent on customer providing new funds. New funds refers to money brought to Wells Fargo from sources outside of Wells Fargo Bank N.A. or its affiliates.

Interest will be paid: End of Term
The method of payment will be: BY CREDITING CHECKING

Renewability: YOU WILL AUTOMATICALLY RENEW MY TIME ACCOUNT AT MATURITY UNLESS I NOTIFY YOU OTHERWISE

Account Title and Mailing Information

Customer(s) Listed on Account:
MICHAEL SPRUNGER
OR SANDRA SPRUNGER
FBO STATE OF UTAH, DOGM

Mailing Address: PO BOX 369
Address Line 2:
City: OAK CITY
State: UT
ZIP/Postal Code: 846490369
Country: US

CNS1595 (1/05)

Customer Signature

This is a receipt. It need not be presented at the time you obtain payment from the Bank. I authorize the Bank to make the above changes to my time account. The Bank will automatically renew my time account at maturity unless I notify the Bank otherwise. The Bank's account agreement will continue to govern this account.

Requesting Customer Signature

[redacted]

☐ Submit manually

Date:

Wells Fargo Bank Northwest, N.A.
Delta
MAC U1506-011
225 West Main
Delta, UT 84624
435 864-2730
435 864-4604 Fax

WELLS FARGO

4/24/14

To whom it may concern:

CD #

Amount: $5,284.80

Peggy Kooyman
Service Manager

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

April 24, 2007

Addendum #1 to Certificate of Deposit Letter Agreement

CD [redacted] 2384.08
ML47821 & 46956/CUBICAL 2, S/023/057

Lon R. Wickel, Store Manager
Wells Fargo
3 North Main
Nephi, Utah 84648
(435) 623-0475

Michael and/or Sandra Sprunger
Post Office Box 38054
Leamington, Utah

Funds in the amount of $1235.64 added to CD account number [redacted] for a cumulative dollar amount of $2393.80. The cumulative dollar amount of these funds are to be utilized as reclamation surety and made available to the State of Utah, Division of Oil, Gas, and Mining.

Wells Fargo Bank agrees to maintain the bank's administrative hold that was initially placed on this account on December 5, 2006 for the cumulative dollar amount of $2384.08.

In the event of Bank termination of this CD account, the Division may request the redemption of these funds to assure or complete reclamation if the Operator does not replace the CD with either the same type of surety or another form of surety within 90 days of Bank termination notice or the actual Bank termination date.

The Division of Oil, Gas and Mining may request CD information on an occasional basis. This letter grants approval by Michael and/or Sandra Sprunger to provide CD status information to the Division of Oil, Gas and Mining at any time an inquiry is made via telephone, email, or letter.

Nothing herein contained shall vary, alter, or extend any provision or condition of the CD letter agreement except as herein stated.

Please acknowledge with signature(s) of the below named and return this letter with original signatures to the Division.

☑ APPROVED

Michael and/or Sandra Sprunger

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*

☑ APPROVED

The below signed, acknowledges and accepts these revisions and incorporates them in to the November 27, 2006 Certificate of Deposit Letter Agreement.

ACCEPTED BY:

John R. Baza, Director
Division of Oil, Gas and Mining

Date 5/1/07

x **Michael and/or Sandra Sprunger**

Date 5/9/07

Lon R. Wickel, Store Manager
Wells Fargo Bank

Date 5/9/07

☑ APPROVED

Michael and/or Sandra Sprunger

Addendum #1 to Certificate of Deposit Letter Agreement

WELLS FARGO

MAC U1502-011
3 N Main
Nephi, UT 84648
435 623-2860
435 623-2026 Fax
800 869-3557 24 Hr. Customer Service

Wells Fargo Bank, N.A.

April 19, 2007

Ms. Beth Ericksen
State of Utah
Dept. of Natural Resources
Division of Oil, Gas, & Mining
P. O. Box 145801
Salt Lake City, UT 84114-5801

RE: MIKE & SANDRA SPRUNGER

Dear Ms. Ericksen:

This letter is to confirm that Mike and Sandra Sprunger added $1,235.64 to their existing CD account # making the total $2393.80. If you have any questions or need anything further, please contact me @ 435-623-2866.

Thank you,

Debbie Robinson

Debbie Robinson
Personal Banker

RECEIVED
APR 2 4 2007
DIV. OF OIL, GAS & MINING

S 0231057

WELLS FARGO

Wells Fargo Bank, N.A.

MAC U1502-011
3 North Main
Po Box 100
Nephi, UT 84648
435 623-0475
435 623-2026 Fax
800 869-3557 24 Hr. Customer Service

December 5, 2006

State of Utah, Dept. of Natural Resources
Division of Oil, Gas, and Mining
1594 West North Temple Ste 1210
PO Box 145801
Salt Lake City, UT 84114-5801

Attn: Beth Ericksen

This letter acknowledges receipt of a Reclamation Surety by Wells Fargo Bank from the Division of Oil, Gas, and Mining. The bank agrees to the terms and instructions of the CD agreement letter. An administrative hold (restriction) has been placed on the account in the amount identified below until such time redemption or release authorization is provided by the Division in accordance with the instructions per the CD agreement letter.

Mine Site: S/023/057, ML47821&46956/CUBICAL2
Operator Name: Michael and/or Sandra Sprunger
Account Number:
Original Acknowledgement: 04-19-2004

Sincerely,

Lon R. Wickel
Store Manager

☑ APPROVED

RECEIVED
DEC 08 2006
DIV. OF OIL, GAS & MINING

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

November 27, 2006

Wells Fargo Bank
3 North Main
Post Office Box 100
Nephi Utah 84648

Attention: Debbie Robinson 435 623 2860

Subject: Reclamation Surety, Certificate of Deposit for Michael and/or Sandra Sprunger, ML 47821 &46956 Cubical 2 Mine Site S/023/057, Juab County, Utah

Certificate of Deposit no. ; Principal Amount $1148.44.

This letter describes the mutually agreed upon instructions of the below signed parties to Wells Fargo Bank ("Bank"), regarding the control, redemption, and release of Bank's above-described certificate of deposit ("CD"), which is being used as a surety to guarantee the availability of reclamation funds for the ML 47821 &46956 Cubical 2 mine site ("Mine Site"), Juab County, Utah. It is the intention of the parties that the CD be utilized as surety to guarantee that $1148.44 in reclamation funds will be available to the State of Utah, Division of Oil, Gas & Mining ("Division") upon demand in the event that the operator(s) of the Mine Site are unable or unwilling to complete reclamation of the mine site in compliance with applicable state law and regulations.

Ownership and Renewal:

Ownership of the CD is retained by Michael and/or Sandra Sprunger, individual(s), but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining and is subject to the terms and conditions described in this agreement. The CD shall automatically renew indefinitely until either redeemed or released by the Director of the Division. The Division may request CD information on an occasional basis.

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*

This letter grants approval by Michael and/or Sandra Sprunger for the bank to provide CD information to the Division any time an inquiry is made via telephone, email, or letter

Redemption:

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of the Director of the Utah Division of Oil, Gas & Mining to the Bank. Upon the instruction and demand of the Director, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil, Gas and Mining. Owners agree and irrevocably instruct Bank that neither the Owner(s), nor any other person claiming an ownership interest in the CD which is derived from the Owners, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owners' control, or if Owners do not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division may redeem the CD.

Release:

The Bank shall release the CD only upon the written instruction of the Director of the Division to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owners, or their legal successors-in-interest. In the event of Bank cancellation/termination of the Certificate of Deposit, the Division may transfer the certificate of deposit monies into a state managed cash account to assure or complete reclamation if the Operator does not replace the Certificate of Deposit within the ninety days of Bank cancellation/termination notice. If the Bank is under a forced cancellation/termination, the Bank agrees to transfer or release the CD funds to a state managed cash account at the Division's request.

Accrued Interest:

Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner(s) as the Owner(s) may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner(s) may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial

amount, $1148.44. All tax liabilities for accrued interest shall remain the sole responsibility of the Owners.

Bank will not be held liable for any dispute between the parties.

Agreed Upon By:

John R. Baza, Director
Utah Division of Oil, Gas & Mining

Date: 12/13/2006

Michael or Sandra Sprunger
Social Security Number: 316-42-5599

Date: 12/5/06

Lon R. Wickel, Branch Manager
Wells Fargo Bank

Date: December 5, 2006

WELLS FARGO

Wells Fargo Bank, N.A.

MAC U1502-011
3 North Main
Po Box 100
Nephi, UT 84648
435 623-0475
435 623-2026 Fax
800 869-3557 24 Hr. Customer Service

December 5, 2006

State of Utah, Dept. of Natural Resources
Division of Oil, Gas, and Mining
1594 West North Temple Ste 1210
PO Box 145801
Salt Lake City, UT 84114-5801

Attn: Beth Ericksen

This letter acknowledges receipt of a Reclamation Surety by Wells Fargo Bank from the Division of Oil, Gas, and Mining. The bank agrees to the terms and instructions of the CD agreement letter. An administrative hold (restriction) has been placed on the account in the amount identified below until such time redemption or release authorization is provided by the Division in accordance with the instructions per the CD agreement letter.

Mine Site: S/023/057, ML47821&46956/CUBICAL2
Operator Name: Michael and/or Sandra Sprunger
Account Number:
Original Acknowledgement: 06-14-2001

Sincerely,

Lon R. Wickel
Store Manager

☑ APPROVED

RECEIVED
DEC 08 2006
DIV. OF OIL, GAS & MINING

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

November 27, 2006

Wells Fargo Bank
3 North Main
Post Office Box 100
Nephi Utah 84648

Attention: Debbie Robinson 435 623 2860

Subject: Reclamation Surety, Certificate of Deposit for Michael and/or Sandra Sprunger
ML 47821 &46956 Cubical 2 Mine Site S/023/057, Juab County, Utah

Certificate of Deposit no. _____; Principal Amount $1250.00.

This letter describes the mutually agreed upon instructions of the below signed parties to Wells Fargo Bank ("Bank"), regarding the control, redemption, and release of Bank's above-described certificate of deposit ("CD"), which is being used as a surety to guarantee the availability of reclamation funds for the ML 47821 &46956 Cubical 2 mine site ("Mine Site"), Juab County, Utah. It is the intention of the parties that the CD be utilized as surety to guarantee that $1250.00 in reclamation funds will be available to the State of Utah, Division of Oil, Gas & Mining ("Division") upon demand in the event that the operator(s) of the Mine Site are unable or unwilling to complete reclamation of the mine site in compliance with applicable state law and regulations.

Ownership and Renewal:

Ownership of the CD is retained by Michael and/or Sandra Sprunger, individual(s), but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining and is subject to the terms and conditions described in this agreement. The CD shall automatically renew indefinitely until either redeemed or released by the Director of the Division. The Division may request CD information on an occasional basis.

This letter grants approval by Michael and/or Sandra Sprunger (name of operator) for the bank to provide CD information to the Division any time an inquiry is made via telephone, email, or letter.

Redemption:

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of the Director of the Utah Division of Oil, Gas & Mining to the Bank. Upon the instruction and demand of the Director, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil, Gas and Mining. Owners agree and irrevocably instruct Bank that neither the Owner(s), nor any other person claiming an ownership interest in the CD which is derived from the Owners, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owners' control, or if Owners do not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division may redeem the CD.

Release:

The Bank shall release the CD only upon the written instruction of the Director of the Division to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owners, or their legal successors-in-interest. In the event of Bank cancellation/termination of the Certificate of Deposit, the Division may transfer the certificate of deposit monies into a state managed cash account to assure or complete reclamation if the Operator does not replace the Certificate of Deposit within the ninety days of Bank cancellation/termination notice. If the Bank is under a forced cancellation/termination, the Bank agrees to transfer or release the CD funds to a state managed cash account at the Division's request.

Accrued Interest:

Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner(s) as the Owner(s) may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner(s) may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial

amount, $1250.00. All tax liabilities for accrued interest shall remain the sole responsibility of the Owners.

Bank will not be held liable for any dispute between the parties.

Agreed Upon By:

John R. Baza, Director
Utah Division of Oil, Gas & Mining

Date: 12/13/2006

Michael or Sandra Sprunger
Social Security Number: 316-42-5599

Date: Dec 5, 2006

Lon R. Wickel, Branch Manager
Wells Fargo Bank

Date: December 5, 2006

WELLS FARGO

Wells Fargo Bank, N.A.

MAC U1502-011
3 North Main
Po Box 100
Nephi, UT 84648
435 623-0475
435 623-2026 Fax
800 869-3557 24 Hr. Customer Service

December 5, 2006

State of Utah, Dept. of Natural Resources
Division of Oil, Gas, and Mining
1594 West North Temple Ste 1210
PO Box 145801
Salt Lake City, UT 84114-5801

Attn: Beth Ericksen

This letter acknowledges receipt of a Reclamation Surety by Wells Fargo Bank from the Division of Oil, Gas, and Mining. The bank agrees to the terms and instructions of the CD agreement letter. An administrative hold (restriction) has been placed on the account in the amount identified below until such time redemption or release authorization is provided by the Division in accordance with the instructions per the CD agreement letter.

Mine Site: S/023/057, ML47821&46956/CUBICAL2
Operator Name: Michael and/or Sandra Sprunger
Account Number:
Original Acknowledgement: 03-05-1998

Sincerely,

Lon R. Wickel
Store Manager

RECEIVED
DEC 08 2006
DIV. OF OIL, GAS & MINING

☑ APPROVED

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

November 27, 2006

Wells Fargo Bank
3 North Main
Post Office Box 100
Nephi Utah 84648

Attention: Debbie Robinson_435 623 2860

Subject: Reclamation Surety, Certificate of Deposit for Michael and/or Sandra Sprunger
ML 47821 &46956 Cubical 2 Mine Site S/023/57, Juab County, Utah

Certificate of Deposit no. Principal Amount $1265.92.

This letter describes the mutually agreed upon instructions of the below signed parties to Wells Fargo Bank ("Bank"), regarding the control, redemption, and release of Bank's above-described certificate of deposit ("CD"), which is being used as a surety to guarantee the availability of reclamation funds for the ML 47821 &46956 Cubical 2 mine site ("Mine Site"), Juab County, Utah. It is the intention of the parties that the CD be utilized as surety to guarantee that $1265.92 in reclamation funds will be available to the State of Utah, Division of Oil, Gas & Mining ("Division") upon demand in the event that the operator(s) of the Mine Site are unable or unwilling to complete reclamation of the mine site in compliance with applicable state law and regulations

Ownership and Renewal:

Ownership of the CD is retained by Michael and/or Sandra Sprunger, individual(s), but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining and is subject to the terms and conditions described in this agreement. The CD shall automatically renew indefinitely until either redeemed or released by the Director of the Division. The Division may request CD information on an occasional basis.

This letter grants approval by Michael and/or Sandra Sprunger for the bank to provide CD information to the Division any time an inquiry is made via telephone, email, or letter

Redemption:

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of the Director of the Utah Division of Oil, Gas & Mining to the Bank. Upon the instruction and demand of the Director, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil, Gas and Mining. Owners agree and irrevocably instruct Bank that neither the Owner(s), nor any other person claiming an ownership interest in the CD which is derived from the Owners, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owners' control, or if Owners do not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division may redeem the CD.

Release:

The Bank shall release the CD only upon the written instruction of the Director of the Division to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owners, or their legal successors-in-interest. In the event of Bank cancellation/termination of the Certificate of Deposit, the Division may transfer the certificate of deposit monies into a state managed cash account to assure or complete reclamation if the Operator does not replace the Certificate of Deposit within the ninety days of Bank cancellation/termination notice. If the Bank is under a forced cancellation/termination, the Bank agrees to transfer or release the CD funds to a state managed cash account at the Division's request.

Accrued Interest:

Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner(s) as the Owner(s) may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner(s) may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial

amount, $1265.92. All tax liabilities for accrued interest shall remain the sole responsibility of the Owners.

Bank will not be held liable for any dispute between the parties.

Agreed Upon By:

John R. Baza, Director
Utah Division of Oil, Gas & Mining

Date: 12/13/2006

Michael or Sandra Sprunger
Social Security Number: 316-42-5599

Date: 12/5/06

Lon R. Wickel, Branch Manager
Wells Fargo Bank

Date: December 5, 2006

WELLS FARGO

Wells Fargo Bank, N.A.

MAC U1502-011
3 North Main
Po Box 100
Nephi, UT 84648
435 623-0475
435 623-2026 Fax
800 869-3557 24 Hr. Customer Service

December 5, 2006

State of Utah, Dept. of Natural Resources
Division of Oil, Gas, and Mining
1594 West North Temple Ste 1210
PO Box 145801
Salt Lake City, UT 84114-5801

Attn: Beth Ericksen

This letter acknowledges receipt of a Reclamation Surety by Wells Fargo Bank from the Division of Oil, Gas, and Mining. The bank agrees to the terms and instructions of the CD agreement letter. An administrative hold (restriction) has been placed on the account in the amount identified below until such time redemption or release authorization is provided by the Division in accordance with the instructions per the CD agreement letter.

Mine Site: S/023/057, ML47821&46956/CUBICAL2
Operator Name: Michael and/or Sandra Sprunger
Account Number:
Original Acknowledgement: 06-01-1995

Sincerely,

Lon R. Wickel
Store Manager

APPROVED

RECEIVED
DEC 08 2006
DIV. OF OIL, GAS & MINING

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

November 27, 2006

Wells Fargo
3 North Main
Post Office Box 100
Nephi Utah 84648

Attention: Debbie Robinson 435 623 2860

Subject: Reclamation Surety, Certificate of Deposit for Michael and/or Sandra Sprunger
ML 47821 & 46956 Cubical 2 Mine Site S/023/057, Juab County, Utah
BLM Serial Number 070641

Certificate of Deposit no. [illegible]; Principal Amount $500.00.

This letter describes the mutually agreed upon instructions of the below signed parties to Wells Fargo Bank ("Bank"), regarding the control, redemption, and release of Bank's above-described certificate of deposit ("CD"), which is being used as a surety to guarantee the availability of reclamation funds for the ML 47821 &46956 Cubical 2 mine site ("Mine Site"), Juab County, Utah. It is the intention of the parties that the CD be utilized as surety to guarantee that $500.00 in reclamation funds will be available to the State of Utah, Division of Oil, Gas & Mining ("Division") and the BLM (agency, i.e. BLM, USFS, etc.) upon demand in the event that the operator(s) of the Mine Site are unable or unwilling to complete reclamation of the mine site in compliance with applicable state law and regulations.

Ownership and Renewal:

Ownership of the CD is retained by Michael and/or Sandra Sprunger, individual(s) but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining and BLM and is subject to the terms and conditions described in this agreement. Bank hereby acknowledges the pledge of the aforesaid CD to the Division and the BLM and agrees to record the information in the bank's written and electronic records of book entry.

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*

Further, the bank acknowledges and agrees that it shall hold the moneys represented by the CD's as a custodian and agent for the Division and shall be liable to the Division for any and all losses to the principal amount of the aforesaid CD caused in any manner whatsoever during the terms of this agreement. The CD shall automatically renew indefinitely until either redeemed or released by the Director of the Division. The Division may request CD information on an occasional basis. This letter grants approval by Michael and/or Sandra Sprunger for the bank to provide CD information to the Division any time an inquiry is made via telephone, email, or letter.

Redemption:

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of Director of the Utah Division of Oil, Gas & Mining. Upon the instruction and demand of the Director, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil, Gas and Mining. Owners agree and irrevocably instruct Bank that neither the Owner(s), nor any other person claiming an ownership interest in the CD which is derived from the Owners, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owners' control, or if Owners do not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division may redeem the CD.

Release:

The Bank shall release the CD only upon the written instruction of the Director of the Division to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owners, or their legal successors-in-interest. In the event of Bank cancellation/termination of the Certificate of Deposit, the Division may request a transfer or release of the certificate of deposit monies into a state managed cash account to assure or complete reclamation if the Operator does not replace the Certificate of Deposit within the ninety days of Bank cancellation/termination notice. If the Bank is under a forced cancellation/termination, the Bank agrees to transfer or release the CD funds to a state managed cash account at the Division's request.

Accrued Interest:

Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner(s) as the Owner(s) may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner(s) may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial amount, $500.00. All tax liabilities for accrued interest shall remain the sole responsibility of the Owners.

Bank will not be held liable for any dispute between the parties.

Agreed Upon By:

John R. Baza, Director
Utah Division of Oil, Gas & Mining

Date: 12/13/2006

Michael or Sandra Sprunger
Social Security Number: 316-42-5599

Date: 12/5/06

Lon R. Wickel, Branch Manager
Wells Fargo Bank

Date: December 5, 2006