cc: Wayne

FORM MR-AR
(Revised 12/2011)

RECEIVED
DEC 29 2011
DIV. OF OIL, GAS & MINING

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
Telephone: (801) 538-5291
Fax: (801) 359-3940

SMALL MINING OPERATIONS PROGRESS REPORT
January 1, 20___ to December 31, 20___

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program. The report is due January 31 each year.

1. Mine Permit Number: S230057
2. Mine Name: Falconer
3. Name of Operator/Permittee: Sandy Nell
   Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/MINES/Minerals_Related/FORMS/MR-REV-SMO_EXP.pdf.

4. Report the gross amount of ore mined and waste moved.

   Gross Ore Mined 0 Tons, or 0 yd^3
   Waste Material Moved 0 Tons, or 0 yd^3

   Never permitted for production

5. New disturbance created during the year ___ Acres
   Area reclaimed during the year ___ Acres
   Total Disturbed Area at the end of the year ___ Acres*
   *The total disturbed area should not be greater than the permitted/bonded acreage.

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested.

   No disturbance on sight

I hereby certify the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Sandy Nell
Title of Operator: President
Signature of Operator: Sandy Nell
Date: 12-27-11

pb
O:\FORMS\reports\MR-AR-SMO2011.doc

Gary R. Herbert
Governor
MICHAEL R. STYLER
Executive Director
JOHN R. BAZA
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
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Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

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DIV. OF OIL, GAS & MINING

LONE STAR MINING
1478 WINCHESTER DR.
ST. GEORGE UTAH 84770

ATTENTION: SANDY NELL

ANNUAL PERMIT FEE

Annual Permit Fees for Jan 2012 thru Dec. 2012

SITE NAME	PERMIT ID	ACRES	BILLING DATE
FULLMER	S230097	NA	01/20/2012

PERMIT TYPE	PERMIT STATUS	ANNUAL FEE
SMALL MINING OPERATION < 5 ACRES	PROPOSED	$ 150

DUE DATE	AMOUNT DUE
01/31/2012	$ 150

Please retain this portion for your records. For billing Information call (801) 538-5291

This portion MUST be returned with your payment to ensure proper credit. THANK YOU

ACCOUNT BILLED	PROJECT NAME	PERMIT ID
LONE STAR MINING	FULLMER	S230097

DUE DATE	ANNUAL FEE	AMOUNT DUE
01/31/2012	$ 150	$ 150

☐ FEE ENCLOSED ☐ FEE NOT ENCLOSED*

Approval to mine or conduct exploration is automatically withdrawn if annual permit fees are not paid by the date due.

If reclamation is complete, please submit form MR-SITE to request either a full or partial release. The permit fee is not required if the entire site has been regraded and seeded; The Division will verify the reclamation work.

Forms and other permit-related information are available on the Web at http://ogm.utah.gov/minerals or you can call (801) 538-5291 for more information.

DIVISION OF OIL GAS AND MINING
1594 WEST NORTH TEMPLE SUITE 1210
PO BOX 145801
SALT LAKE CITY UT 84114-5801

Please make check payable to:
Division of Oil, Gas and Mining