JON M. HUNTSMAN JR.
Governor
MICHAEL R. STYLER
Executive Director
JOHN R. BAZA
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

LONE STAR MINING EXPLORATION*
1478 WINCHESTER DR
ST GEORGE UT 84770

ATTENTION: SANDY NELL

ANNUAL PERMIT FEE

Annual Permit Fees for July 2009 thru June 2010

SITE NAME	PERMIT ID	ACRES	BILLING DATE
DRAGON MINE TAILINGS	S230102	NA	06/21/2010

PERMIT TYPE	PERMIT STATUS	ANNUAL FEE
SMALL MINING OPERATION < 5 ACRES	PROPOSED	$ 300

DUE DATE	AMOUNT DUE
07/29/2010	$ 300

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 EXPLORATION*	DRAGON MINE TAILINGS	S230102

DUE DATE	ANNUAL FEE	AMOUNT DUE
07/29/2010	$ 300	$ 300

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Approval to mine or conduct exploration is automatically withdrawn if annual permit fees are not paid by the date due.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

GARY R. HERBERT
Governor

GREGORY S. BELL
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

June 22, 2010

Subject: Past Due Permit Fees

Dear Operator:

Enclosed with this letter is a statement for permit fees. These annual fees were authorized by the Utah State Legislature and are required for continued authorization to conduct mining or exploration operations.

The enclosed statement shows the amount due for 2010-2011 and for past years. Until the fees have been paid, your approval to conduct mining operations is suspended. All past due fees as well as the current fee must be remitted by July 29, 2010. Continued non-payment beyond this date may result in withdrawal of your Notice of Intention (subject to appeal to the Board of Oil, Gas and Mining) and a requirement to reclaim immediately.

If you feel the amount shown in the statement as past due is incorrect, please contact me at 801-538-5261. If you call, it would be helpful if you could provide the date the fee was paid, the check number, and the amount of the check.

We look forward to continuing to work with you. Thank you for your cooperation.

Sincerely,

Paul B. Baker
Minerals Program Manager

PBB:vs
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telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING