5/023/0112
cc: Wayne
Task: 5363

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DIV. OF OIL, GAS & MINING

Form MR-REV-SMO (DOGM – Revise/Amend Change Form)
(Revised November 21, 2006)

# Application to Revise a Notice of Intention to Commence Small Mining Operations or Exploration

**Operator:** ZADOK VENTURES LLC

**Mine Name:**
WEST DESERT MINE

**File Number: E or M/ /**
S/023/067, RDS 502

Provide a detailed listing of all changes to the Notice that will be required as a result of this change. Individually list all maps and drawings that are to be added, replaced, or removed from the Notice. Include page, section and drawing numbers as part of the description.

**DETAILED SCHEDULE OF CHANGES TO THE NOTICE**

| ADD | REPLACE | REMOVE | Description of map, text, or materials to be changed |
|---|---|---|---|
| ○ | ⊙ | ○ | Form MR-SMO Page 1 through 7 |
| ⊙ | ○ | ○ | Map: General Location Map Part II (using USG Map) |
| ⊙ | ○ | ○ | Cover Letter |
| ⊗ | ⊗ | ○ | Map: Operation Map |
| ○ | ○ | ○ | |
| ○ | ○ | ○ | |
| ○ | ○ | ○ | |
| ○ | ○ | ○ | |
| ○ | ○ | ○ | |

**I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments and obligations, herein.**

Eric Lewis
Print Name

Member Manager
Sign Name, Position

3/15/2013
Date

**Return to:**

State of Utah
Division of Oil, Gas and Mining
Attn: Minerals Regulatory Program
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Phone: (801) 538-5291 Fax: (801) 359-3940

**FOR DOGM USE ONLY:**
**File #: M/ /**
**Approved:**
**Bond Adjustment: from ($)**
**to $**

Creatavation

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March 15, 2011

Utah Department of Natural Resource/ Division of Oil, Gas and Mining
1594 W. North Temple
PO Box 145801
Salt Lake City, Utah 84114-5801

Ref: Amend Form MR-SMO and Add General Location Part II Operations Map of West Desert Mine located in JUAB COUNTY

Operator: Zadok Ventures LLC
File Number: S/023/067, RDS 502

Please find enclosed form MR-REV-SMO (DOGM_ Revise/Amend Change Form). Our intent is to replace the following pages of Form MR-SMO of Notice of Intent to Commence Small Mining Operations or Exploration; Page 1 through 7. We are also adding Map of General Location Part II using USGS mapping.

We hope that you will find everything in order.

**Operator:**
**Zadok Ventures LLC**
**PO Box 681271**
**Houston, Texas 77268**
**Contacts: Colby Sanders/Eric Lewis**

**Consultants of Project:**
**Creatavation**
**1213 Eagle Way**
**Fruit Heights, Utah 84037**
**Contacts: Sergio Salgado/Don Foot**

If you have any questions, please call me, Sergio Salgado, at 801-404-1700. Thank you for your assistance in this matter.

Sincerely,

Sergio Salgado

Form MR-SMO
(Revised July 25, 2012)

This Section for DOGM Use:
Assigned DOGM File No.: S/0
DOGM Lead:
Permit Fee $ Ck#

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MAR 15 2013
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

## NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The information requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program (R647). The rules and Act are available online at http://www.rules.utah.gov/publicat/code/r647/r647.htm and http://le.utah.gov/~code/TITLE40/40_08.htm.

Cultural Resources Survey: To fulfill its obligations under Utah Code Annotated 9-8-404, the Division needs cultural resource (archaeology) information. The amount and type of information required will depend on the mine location, the history of previous disturbance, and other factors. Please contact the Division for further information.

A permit fee of $150 must accompany this application (Utah Code Ann. §40-8-7(1)(i)) and is due annually.

"Small Mining Operations" are operations which have a disturbed area of ten or fewer surface acres at any time in unincorporated areas, or five acres or fewer in incorporated areas.

* * * * * * * * *

## I. GENERAL INFORMATION (Rule R647-3-104)

1. Name of Mine: West Desert Mine

2.A. Name of Entity Applying for a Permit: Zadok Ventures, LLC.
Contact (Authorized Officer): Eric Lewis
Mailing Address: PO Box 681271
City, State, Zip: Houston, Texas 77268
Phone: 281-580-7483 Fax: 281-587-2662
E-mail Address: elewis@precisionsiteworks.com

Entity is a: (___) Corporation, (X) LLC, (___) Sole Proprietorship (dba), (___) Individual, (___) Partnership (__General, or __limited), (___) Other (specify type) _____

**Business Entity (not individuals) must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) if** not currently registered, contact www.commerce.utah.gov to renew or apply.

2.B. Are you currently registered to do business in the State of Utah? ( X ) Yes (___) No
Business Entity #: 8384805-0161
Local Business License #: _____ (if required)
Issued by: County: _____ or City: _____

Registered Utah Agent (as identified with the Utah DOC) *(if individual leave blank)*:
Name: Capital Corporate Services Title: Registered Agent
Address: 2005 E. 2700 South Suite 200
City, State, and Zip: Salt Lake City, UT. 84109
Phone: 800-345-4647 Fax: 800-432-3622
E-mail Address: aali@capitalservices.com

2.C. **Entity's Representative(s) (if different from #2A) authorized and designated to receive notices of violation, cessation orders, and all other notices to be given to the permittee or operator by the Division.**

Name: Same Title: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
Emergency, Weekend, or Holiday Phone: _____
E-mail Address: _____

Name: _____ Title: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
Emergency, Weekend, or Holiday Phone: _____
E-mail Address: _____

3. **If Business is a Sole Proprietor (dba) or Individual:**
Name of Owner: _____ Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

**If Business is a Corporation:**
Name of Officers: _____ Title: _____
Name: _____ Title: _____
Name: _____ Title: _____
Name: _____ Title: _____

Headquarters Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

**If Business is a Limited Liability Company:** Member Managed ( X ) Manager Managed ( __ )
Name of 1st Member/Manager: Eric Lewis Title: General Manager
Business Address: PO Box 681271
City, State, Zip: Houston, Texas 77268
Phone: 281-580-7483 Fax: 281-587-2662
E-mail Address: elewis@precisionsiteworks.com

Name of 2nd Member/Manager: Title: Manager
Business Address:
City, State, Zip:
Phone: Fax:
E-mail Address: _____

**If Business is a Partnership:**
Names of Partners: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

**If Business is a Partnership:**
Names of Partners: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

5. **Ownership of Land Surface:**

Private (Fee) (__) BLM (X) US Forest Service (__)
State Trust Land/School Sections (__) State Sovereign Lands (__)
Other (please describe): BLM Fillmore Field Office; 95 E. 500 N. Fillmore, UT. 84631
Name _____ Address _____
Name _____ Address _____
Name _____ Address _____
Name _____ Address _____

6. **Ownership of Minerals:**

Private (Fee) (__) BLM (X) US Forest Service (__)
State Trust Land/School Sections (__) State Sovereign Lands (__)
Other (please describe): BLM Fillmore Field Office; 95 E. 500 N. Fillmore, UT. 84631
Name _____ Address _____
Name _____ Address _____
Name _____ Address _____
Name _____ Address _____

BLM Claim Number(s): RI-35.002 (UMC418651)
Utah State Lease Number(s): _____
BLM/USFS Lease or Project File Number(s): _____

Name of Lessee(s): _____

7. **Have the above surface and mineral owners been notified in writing?** Yes: X No _____
If no, why not? _____

8. **Does the Entity have legal right to enter** and conduct mining operations on the land covered by this notice? Yes X No _____

What is the pre-mining land use, i.e. cropland, grazing, wildlife habitat? Recreation and silica sands extraction

What is the postmining land use? Recreation

*Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration* ***prior*** *to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.*

## II. PROJECT LOCATION & MAP (Rule R647-3-105)

1. **Project Location & Map** (legal description):

County(ies): Juab County, (please also see attached) Notice of Location; Maps_____

_____1/4, of _____1/4, of SE 1/4, Section: 35 Township: 12 S Range: 7 W
_____1/4, of _____1/4, of _____1/4, Section:_____Township: _____Range: _____
_____1/4, of _____1/4, of _____1/4, Section:_____Township: _____Range: _____

UTM East: 363232 (if known) UTM North: 43989013 (If known)

Name of Quad Map for Location: Nearest Quad: Desert Mtn. Pass. No Quad map was available for actual mine site

2. **Is the project within an incorporated area?** (___) Yes (X) No
   If yes, what is the town or city? _____
3. **Location and Operations maps** must be plotted at a scale to accurately identify locational landmarks and operations details. All maps must include a north arrow, scale, appropriate labels, and title box including the mine name, township, range and section.

   a. The **general location map** must be the scale of a USGS 7.5 minute series map or equivalent (1"=2000') and identify new or existing access roads.

   b. The **operations map** (1"=200' or other scale as determined necessary by the Division) must be labeled and identify:
      i. The area to be disturbed;
      ii. The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned activities; and
      iii. Any adjacent previous disturbance for which the operator is not responsible.

      (Contact the Division for a list of consultants and land surveyors for mapping assistance.)

4. The proposed (5 acre or less) disturbed area (including access/haul roads) should be marked ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

## III. OPERATION PLAN (Rule R647-3-106)

1. **Type of mining:** Surface (X) Underground (___)
2. **Mineral(s) to be mined:** Precious Metal; Gold, Silver
3. **Amount of material** to be extracted, moved, or proposed to be moved: **200 Tons per day (over 360 Days) or a yearly amount of 144,000 Tons**

4. Will any **water, liquid chemicals, reagents, or other solutions** be used, produced or discharged as part of the mining or milling process? Yes ( X ) No ( _____ ) If yes, please describe (add extra pages if needed): Water will be used for Gravity Separation process (off-site)

5. Provide a brief **description of the proposed mining operation**, and onsite processing facilities (add extra pages if necessary).

   Material will be extracted via open-pit methods, which include blasting and hauling material with excavation-type equipment. There will be no on-site processing.

6. ( __ ) **New Road(s)**: Length _____(ft), Width _____(ft)
7. ( X ) **Improved Road(s)**: Describe improvements that need to be made to existing roads to access the site, including the Length 560 (ft) and Width 20 (ft) **of new disturbances**.
   The access road from Golden Hwy to the mine site (total length of 560 ft) needs to be widened to 20 ft in order to provide safe passing for trucks hauling material off site.

8. Total project surface **acreage to be disturbed**: 10 (acres) PLEASE SPECIFY EXACT ACREAGE *(this will be used to determine surety bond amount – see #VI).*

9. Proposed **startup date** (month, year): 3/2013
10. Proposed **completion**, if known (month, year): 3/2020

## IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover or within practical limits. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at::
https://fs.ogm.utah.gov/pub/MINES/Coal_Related/RecMan/Reclamation_Manual.pdf.

1. *Keep the mining operation in a safe, clean, and environmentally stable condition.*
2. *Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.*
3. *Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.*
4. *Construct berms, fences, or barriers, when needed, above highwalls and excavations.*
5. *Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.*
6. *Remove all waste or debris from stream channels.*
7. *Dispose of any trash, scrap metal, wood, machinery, and buildings.*
8. *Conduct mining activities so as to minimize erosion and control sediment.*
9. *Reclaim all roads that are not part of a permanent transportation system.*
10. *Stockpile topsoil and suitable overburden prior to mining.*
11. *Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.*
12. *Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.*
13. *Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)*
14. *Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.*

## V. VARIANCE REQUEST (Rule R647-3-110)

**Any variance must be approved writing *in advance* by the Division**

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measures to be utilized to meet the intent of the rule. Written approval from the Division will be given, if the proposed alternative methods to be used are consistent with the Act.

**Are variances being requested? Yes ( __ ) No ( X )**

Variance Requested

_____ _____

Item # Applicable Rule

Justification: _____

_____

Alternate methods or measure to be utilized: _____

_____

_____

Attach additional page(s) if more variances are requested.

## VI. SURETY (Utah Code Ann. §40-8-7(1)[c])

***A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations. No surface disturbance is authorized until the surety is posted and approved in writing.*** The surety may be provided in the form of a certificate of deposit, a letter of credit, a surety bond, or cash. Please contact the Division for further information about submitting the surety. All mining operations are required to furnish and maintain reclamation surety to guarantee that the land affected is reclaimed (Utah Code Ann. §40-8-7(1)[c]).

The reclamation surety amount is based on the nature, extent and duration of operations. The amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions. Reclamation surety for small mines is reviewed every three (3) or five (5) years and adjusted as necessary for inflation/deflation based upon acceptable Costs Index. **Contact the Division for the dollar amount required for a three (3) or five (5) year period for this project.**

## VII. SIGNATURE REQUIREMENT

### CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

a. I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND

b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.

c. **This certification must be signed by:** (1.) an executive officer if the applicant is a corporation; (2.) a partner if applicant is a partnership (general or limited); (3.) the owner if applicant is a sole proprietorship; **or** (4.) the member or manager if applicant is a limited liability company.

Signature: _____ Date: 3/15/13 Form MR-SMO

Name (typed or printed): Eric Lewis

Title/Position (if applicable): Member Manager

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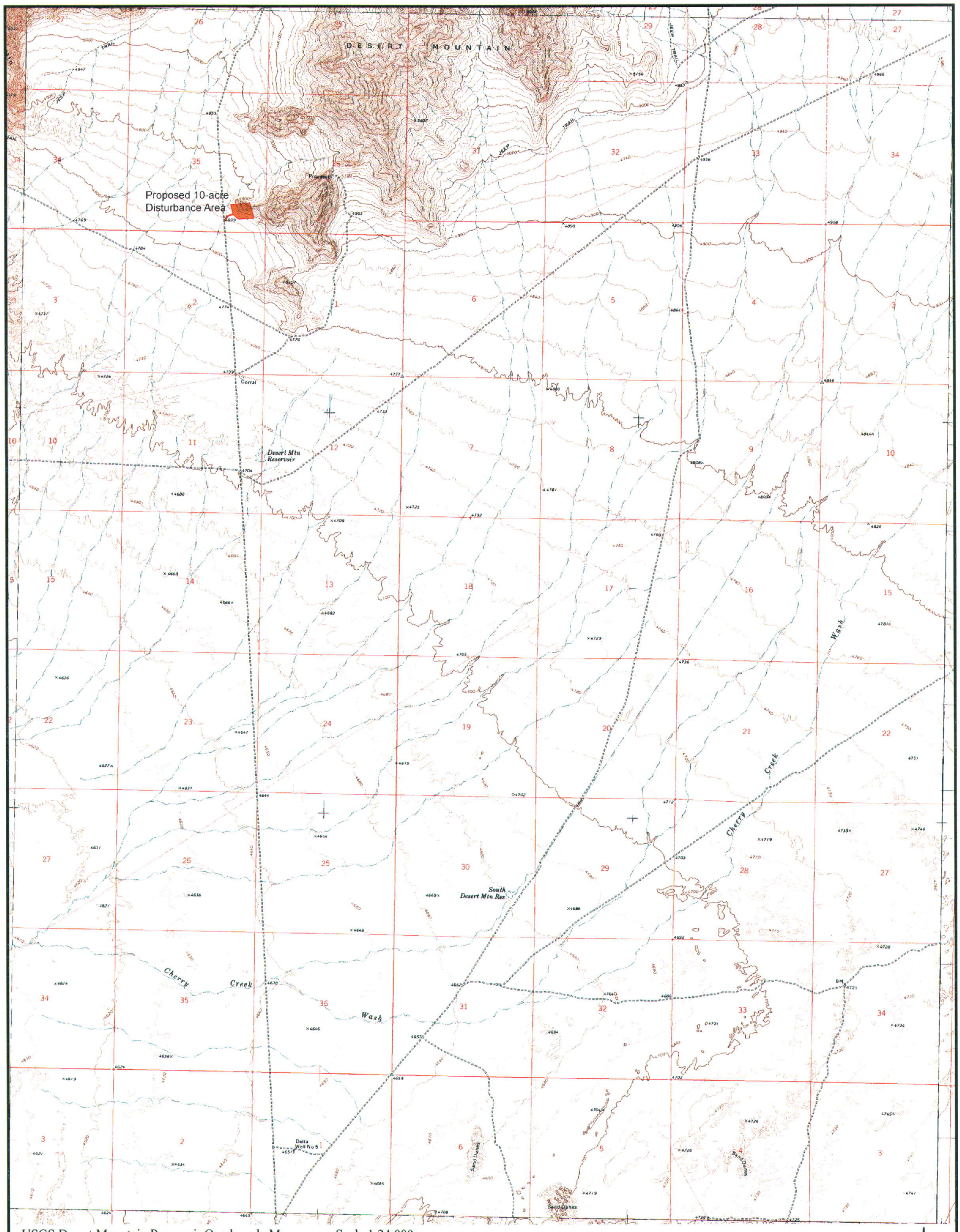


USGS Desert Mountain Reservoir Quadrangle Map Scale 1:24,000

Proposed Disturbance Located at:
UTM COORDINATES
Zone 12
Easting: 363232
Northing: 4398901

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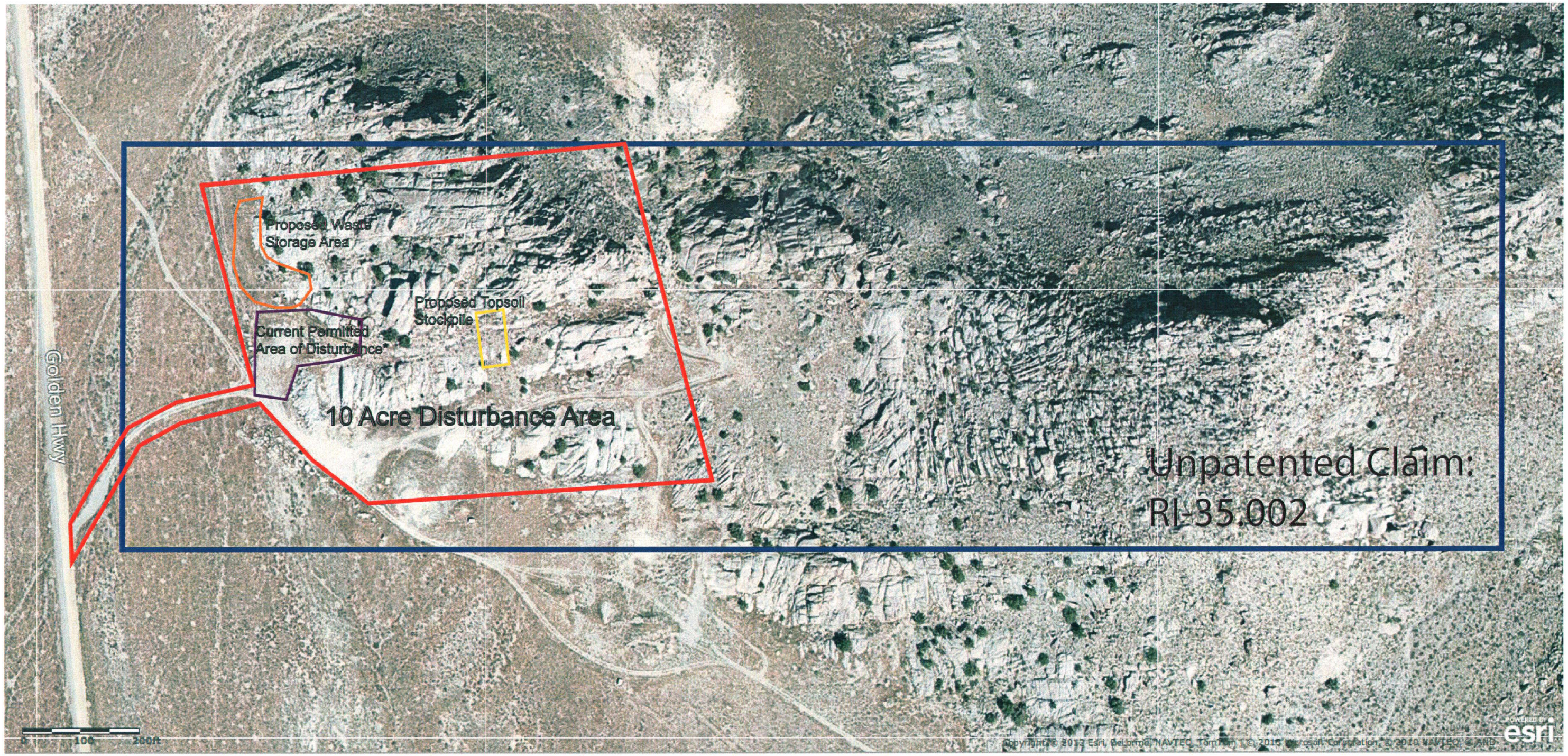
| General Location Map 2 | | |
|---|---|---|
| Creatavation | West Desert Mine | |
| | Desert Mountain, Juab County, UT<br>Township 12S, Range 7W, Setion 35 | |
| | Date: 3/14/2013 | Scale 1:24,000 |




*All visible disturbance on this map, excluding currently permitted disturbance, is pre-existing.

- 40-acre unpatented Lode Claim Boundary RI-35.002
- Proposed 10-acre disturbance boundary
- Proposed Topsoil Stockpile area
- Proposed Waste Storage area

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200 0 100 200

| Proposed 10 Acre Disturbance Area | | |
|---|---|---|
| Creatavation | West Desert Mine | |
| | Desert Mountain, Juab County, UT | |
| | Date: 2/21/2013 | Design: ADS |