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

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cc: S/025/025

August 23, 2002

Marie Caruso
Joe's Rock Shop
South Highway 89
P.O. Box 111
Orderville, Utah 84758

Re: Transfer of Notice of Intention and Release of Reclamation Responsibility, Joe's Rock Shop, Caruso Mine Project, S/025/007, Kane County, Utah

Dear Mrs. Caruso:

Thank you for forwarding the final signed Small Mine Transfer forms, which transfers the Notice of Intention to Commence Small Mining Operations at the Caruso Mine from Joe's Rock Shop (c/o Marie Caruso) to Loy D. Crapo and Joseph M. (Mike) Caruso. We received the signed documents on August 14, 2002.

The Acting Division Director signed and executed the transfer documents on August 22, 2002, *which effectively transfers the responsibility of this mining operation and reclamation to Loy Crapo and Joseph M. Caruso*. Copies of the transfer forms are enclosed for your files. Loy Crapo and Mike Caruso are now the official parties responsible for all mining and reclamation obligations for this project. The Caruso Mine involved three leases. Loy Crapo and Mike Caruso each have 50% ownership in leases ML 27618 and ML 26996. By their agreement, both of the new lessee's are allowed to mine on each of these two leases; however, Loy Crapo will be solely responsible for reclamation of lease ML 27618 (new file number S/025/025) and Mike Caruso will be solely responsible for reclamation of lease ML 26996 (new file number S/025/027).

Lease ML 41354 is transferred from Joe's Rock Shop to Mike Caruso. Mr. Caruso is solely responsible for mining and reclamation of this lease. Because of it's close proximity to ML 26996, it is considered a part of Mr. Caruso's total project under file S/025/027.

The Division hereby officially releases Joe's Rock Shop (c/o Marie Caruso) from any further reclamation responsibilities at the Caruso Mine site under leases ML 27618, ML 26996 and ML 41354. File number S/025/007 will be closed and the file retired.

Thank you for your help in finalizing this transaction. If you have any questions or concerns regarding this letter, please contact me at (801) 538-5286 or Tom Munson at 538-5321.

Sincerely,

For D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Enclosure: (2) Executed Transfer forms
cc: Will Stokes, SITLA w/enclosures
Mike Caruso
Loy Crapo
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