JON M. HUNTSMAN, JR.
Governor
GARY R. HERBERT
Lieutenant Governor

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

MICHAEL R. STYLER
Executive Director
JOHN R. BAZA
Division Director

Notice of Violation ☐ No. _____
Cessation Order ☒ No. MC-2005-02-03(1)

CERTIFIED RETURN RECEIPT # **7002 0510 0003 8603 4339**

To the following Permittee or Operator:

Permittee/Operator Name: The Bug House/ Loy Crapo

Mine Name: ML 27618 ☒ Surface ☐ Underground ☐ Other

County: Kane County State: Utah Telephone Number: (435) 864-2402

Business Address: 350 East 300 South, P.O. Box 1113, Delta, Utah 84624

Permit Number: S/025/025

Ownership Category: ☒State ☐ BLM ☐ USFS ☐ Fee ☐ Other

Date of Inspection: August 2, 2005 Time: 3:30 ☐ a.m. ☒p.m. to 4:00 ☐ a.m. ☒ p.m.

Under authority of the Utah Mined Land Reclamation Act, Section 40-8-1 et seq., ***Utah Code Annotated,*** 1953, the undersigned authorized representative of the Division of Oil, Gas, and Mining has conducted an inspection of above mine on above date and has found that a Notice of Violation or Cessation Order must be issued with respect to the conditions, practices, or violations listed. In accordance with Section 40-8-9, ***Utah Code Annotated,*** you are ordered to cease immediately the operations or activity described and to perform the required actions described within the designated time for abatement.

The undersigned representative finds that **this order** ☒ **does require cessation of all mining;**
☐ **does not require cessation of all mining.**

For this purpose, "mining" means development of, or extraction of a mineral deposit, including transportation within or from the mine site, concentrating, milling, evaporation, or other processing. Mining and/or reclamation operations not directly the subject of this order shall continue while this order is in effect. You are responsible for doing all work in a safe and workmanlike manner.

This order shall remain in effect until it is modified, terminated or vacated by written notice of an authorized representative of the director of the Division of Oil, Gas, and Mining.

Date of service/mailing: August 23, 2005 Time of service/mailing 3:30 ☐ a.m. ☒ p.m.

_____ _____
Permittee or Operator Representative Title

_____
Signature

Doug Jensen Reclamation Specialist
Division of Oil, Gas & Mining Representative Title

Doug Jensen
Signature

SEE REVERSE SIDE

IMPORTANT – READ CAREFULLY

1. PENALTIES.

a. **Proposed assessment.** The Division of Oil, Gas, and Mining (DOGM) assesses fines based upon a proposed assessment recommended by an assessment officer. You may submit written information pertaining to violation(s) covered by this order within 15 days of the date this notice or order is served on you or your agent. Information will be used by the assessment officer in determining facts surrounding the violation(s) and amount of penalty. A representative of the DOGM will serve the proposed assessment on you or your agent within 30 days of issuance of notice or order.

b. **Assessment.** The penalty will be final unless you or your agent file a written request within 15 days of receipt of proposed assessment for an informal hearing before the assessment officer.

For each violation included in this notice, a penalty of up to $5,000 may be assessed for each separate day the violation continues.

If you fail to abate any violation within the time set for abatement or for meeting any interim step, you will be assessed an additional minimum penalty of $750 for each day of continuing violation beyond the time set for abatement. In addition, if you fail to abate any violation as required you will be issued a Cessation Order requiring you to cease mining operations on the portion of the operations relevant to the violation.

2. STOP WORK CONFERENCE.

A Stop Work Conference may be requested if this notice requires cessation of all mining. On the reverse of this page, the authorized representative has made a finding as to whether or not this notice requires cessation of all mining. (See Utah Admin. R647-6-102.4 et seq.)

You must request the Stop Work Conference within 30 days after service of this Cessation Order. The conference must be held within 5 days of your request. You will be notified of the date, time, and location of the conference.

Please send your conference request to:
Administrative Secretary
Associate Director of Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

3. FORMAL REVIEW AND TEMPORARY RELIEF.

You may apply for review of this notice, order or proposed assessment before the Board of Oil, Gas, and Mining by submitting an application for hearing within 30 days of receipt of notice or assessment by you or your agent. Apply to:
Secretary
Board of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

If applying for a formal board hearing, you may submit with your petition for review a request for temporary relief from this notice. Procedures for obtaining a formal board hearing are contained in the board's Rules of Practice and Procedure and in Utah Admin. R. 647-5 et seq.

4. INDIVIDUAL CIVIL PENALTIES.

An additional individual civil penalty of up to $5000 per day may be assessed against any corporate director, officer, or agent who knowingly and willfully authorized, ordered or carried out a violation or who fails or refuses to comply with an order.

For further information, consult ***Utah Code Annotated*** Section 40-8-9, 9.1, Utah Admin. R. 647-6, 7, 8 seq. or contact the Division of Oil, Gas, and Mining at (801) 538-5304.

Notice of Violation / Cessation Order NO. MC-2005-02-03(1)

Violation No. 1 of 1

Nature of condition, practice, or violation:

Failure to obtain a large mining permit prior to expanding operations beyond 5(five) acres

Provisions of act, regulations, or permit violated:

R-647-3-113

(Check box if appropriate:)

__ Condition, practice, or violation is creating an imminent danger to health or safety of the public.

__ Permittee/Operator is/has been conducting mining activities without a permit.

X Condition, practice, or violation is causing or can reasonably be expected to cause significant, imminent environmental harm to land, air, or water resources.

__ Permittee or Operator has failed to abate Violation(s) No._____ included in Notice of Violation No. or Cessation Order No. M_____ within time for abatement originally fixed or subsequently extended.

Mining activity to be ceased immediately:

All mining outside the 5 acre small mine permit.

Affirmative obligation(s) or required action and abatement time (if applicable):

1.) By September 23, 2005 post a $35,000 reclamation surety for the existing disturbance with the Division

2.) By November 23, 2005 complete and submit a NOI-LMO for a large mine which will encompass the area presently disturbed and future disturbances for a period of 5 years into the future.

jb

cc: DOGM
Loy Crapo, Operator
File

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