#S/27/047
S/027/048

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
FILLMORE FIELD OFFICE
35 East 500 North
Fillmore, UT 84631
http://enbb.blm.interwebdesign.com

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NOV 19 2001
DIVISION OF
OIL, GAS AND MINING

In Reply Refer to:
3800
(UT-010)
UTU-070718 -S/27/047
UTU-070722 -S/27/048

November 16, 2001

O JAY GATTEN
PEARL QUEEN PERLITE CORPORATION
472 NORTH MAIN STREET
KAYSVILLE UT 84037-1173

Dear Jay:

This letter is regarding your letter of October 12, 2001 requesting advice on how to proceed in becoming the operator and assuming responsibility for reclamation on notices filed with this office. The notices involved are UTU-070718 with Robert Wilson as the current operator and UTU-070722 with Industrial Minerals Inc. as the current operator.

This office has attempted to contact these operators in order to have the notices updated or reclamation completed on these sites. To this date, we have been unable to contact the operators. In your letter, you mention consulting with Tom Munson of the Utah Division of Oil, Gas, and Mining (DOGM). Mr. Munson has indicated that DOGM considers the sites abandoned and has closed their files on these operations and suggests filing a new exploration notice with their office.

For BLM's purposes I recommend that you submit a copy of the exploration notice submitted to DOGM with a cover letter requesting that the notice be accepted as a change of operator for UTU-070718 and UTU-070722. I have included copies of the original and all subsequent amendments to the notices. As long as your notice to DOGM contains no material changes to the notices currently filed in our office, you will be able to take over as operator and maintain the notices under the Section 43 Code of Federal Regulations Subpart 3809 that were

in effect prior to January 20, 2001. This would enable you to operate without posting a financial guarantee until January of 2003.

The map accompanying this letter shows the disturbances covered by the notices. The disturbances covered by UTU-070718 are indicated by red dots and are in T. 23 S., R. 9 W., Section 23:NESE, Section 24:SENE, Section 25:SESW, and Section 26:NWNE. The disturbance covered by UTU-070722 is indicated by the blue dot and is in T. 23 S., R. 9 W., Section 26:NWNE.

In our communications, you have indicated that your interest was in the disturbances now covered by the snowflake claims held by Perlite Queen Perlite Corporation in Section 23 and 26. Your cover letter accompanying your notice should indicate exactly where you intend to operate, a timetable for those operations, and which disturbances will become your responsibility. However, none of the disturbances covered by the notices are large and, in checking all the claims in the area, none of the current claimants have filed notices with this office that would authorize them to perform or maintain surface disturbing operations on their claims. Therefore, we would prefer that you assume responsibility for all the disturbances under the notices and when you begin operations, reclaim the disturbances in which you have no interest. Alternatively, when final reclamation for your operation takes place, all the disturbances could be reclaimed at that time.

If you have any questions, please contact me at (435) 743-3125.

Sincerely,

Jerry W. Mansfield
Geologist

Enclosures
Map
Copies of Notice UTU 070718 and amendments
Copy of Notice UTU 070722

cc: Tom Munson, UDOGM