FORM MR-AR
(Revised 1/2007)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
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DIV. OF OIL, GAS & MINING

SMALL MINING OPERATIONS 2006 PROGRESS REPORT
January 1, 2006 to December 31, 2006

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

1. Mine Permit Number: S270067
2. Mine Name: Gates Gold / Pumice No 1
3. Name of Operator/Permittee: KSC Rocks Inc

   Note: If Operator's address, company representative or phone number have changed, please provide a replacement page to the Notice of Intention.

4. Mine Location: W½, NW¼ Sec 14 T24S. R9E Millard County
5. Report the gross amount of ore mined and waste moved, as well as the arrangement, positioning, or distribution of the material:

Gross Ore Mined	0	Tons, or	____ yd^3
Waste Material Moved	0	Tons, or	____ yd^3
New Disturbance	0	Acres during 2006	
Area Reclaimed	0	Acres during 2006	
Total Disturbed Area	½	Acres*	

Was the ore shipped off site? If not, where is the ore located? ____

Where is the waste located? ____

*Total life of mine disturbance to the end of 2006.

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

   None

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): KSC Rocks Inc Steven Sorenson
Title of Operator: President
Signature of Operator: Steven LaMar Sorenson
Date: 4/16/07

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