FORM MR-AR
(Revised 12/2011)

cc: Peter

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
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SMALL MINING OPERATIONS PROGRESS REPORT
January 1, 20___ to December 31, 20___

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. The report is due January 31 each year.

1. Mine Permit Number: S2700073
2. Mine Name: Pretty in Pink
3. Name of Operator/Permittee: Penney's Gemstones LLC

   Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/MINES/Minerals_Related/FORMS/MR-REV-SMO_EXP.pdf.

4. Report the gross amount of ore mined and waste moved.

   Gross Ore Mined 0 Tons, or _____ yd^3
   Waste Material Moved 0 Tons, or _____ yd^3

5. New disturbance created during the year _____ Acres
   Area reclaimed during the year _____ Acres
   Total Disturbed Area at the end of the year Same Acres*
   *The total disturbed area should not be greater than the permitted/bonded acreage.

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested.

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

Name (Typed or Print): David L Penney
Title of Operator: Owner
Signature of Operator: David L Penney
Date: 1-14-2012

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RECEIVED
JAN 23 2012
DIV. OF OIL, GAS & MINING