S/035/0024
cc: Leslie

STIPULATED AGREEMENT

The Utah Division of Oil, Gas & Mining ("the Division"), and Expectations Mine/Mark Miller ("Expectations") agree as follows:

1. Expectations is the operator (effective as of May 6, 2005) of a small mining operation ("the Salt Lake County site") located in Salt Lake County, Utah. The Salt Lake County site consists of several rock piles and two track-hoe pads.

2. On August 21, 2012 the Utah Board of Oil, Gas and Mining ("the Board") entered two orders against Expectations pursuant to the Division's Notice of Agency Action (Docket No.: 2012-023, Cause No.: S/035/0024)("Board's order"). The orders authorized the Division to seek the following remedies from Expectations:

    a. The judicial enforcement of the penalties arising from Orders #1 and #2 (a combined total of $3,080.00) in the Third District Court of Utah pursuant to Utah Code Ann. § 40-8-9.1(4) if an alternative payment plan or agreement is not reached between the parties first; and

    b. The repayment of all reclamation costs from Expectations Mines [for reclamation of the Salt Lake County site] as well as any other additional costs and attorney's fees associated with this matter.

3. In order to facilitate successful repayment of the fines by Expectations and pursuant to the Board's order, the Division and Expectations propose the following plan for the repayment of the total outstanding fines amount:

    a. Expectations and the Division agree that the total amount of fines due to the Division is $3,080.00 per the August 21, 2012 Board Order.

    b. The Division and Expectations agree that a reduction in fine total from $3,080.00 to $1,000.00 is equitable in exchange for the expedited reclamation work to be completed by Expectations and fully addressed in Paragraph 4 of this Agreement.

    c. Expectations will immediately begin repaying the fines by providing to the Division a written check for $83.33 (or equivalent) on the 15th of every month for the next twelve (12) consecutive months beginning on September 15, 2012.

    d. Expectations is allowed to pay more than $83.33 without penalty, but any additional payments made on top of the required monthly balance of $83.33, will not be used to offset future monthly payments, which are still due on the 15th of the following month.

e. Failure to make any of the payments on the 15th of each month will enable the Division to provide 5 days notice and thereafter immediately seek entry of the judgment and judicial enforcement of the Board order.

4. In order to facilitate prompt and complete reclamation of the Salt Lake County site, Expectations agrees to the following:

   a. The necessary reclamation work will be completed at the Salt Lake County site no later than December 31, 2012. This work includes the following:

      i. The picking up and legal disposal of all trash and other debris from the site;

      ii. The removal and proper disposal of oil stained soil from the site. The Division will identify the specific location of the contaminated soil to avoid any misunderstanding and requires Expectations to produce a receipt from a licensed disposal service provider or landfill to confirm that the contaminated soil has been properly handled and disposed.

      iii. Replacement of the contaminated soil with fresh soil.

   b. Expectations agrees to assume all reclamation expenses in exchange for the reduction of fines payable pursuant to the terms enumerated in Paragraph 3 of this Stipulated Agreement.

   c. Failure to complete the work by December 31, 2012 with Division approval will enable the Division to provide 5 days notice and thereafter seek judicial enforcement of the entire Board order including outstanding fine amounts and other costs and attorney's fees.

5. So long as Expectations complies with the requirements of Paragraph 3, the Division promises not to seek judicial enforcement of the Board's Order, Docket No. 2012-023, Cause No. S/035/0024 filed by the Board on August 21, 2012, for twelve months. At the end of that period (September 15, 2013), the Division will seek a termination of the Board Order permitting judicial enforcement of the repayment of Expectation's fines.

6. So long as Expectations complies with the requirements of Paragraph 4 by December 31, 2012, the Division promises not to seek judicial enforcement of the Board's Order, Docket No. 2012-023, Cause No. S/035/0024, filed by the Board on August 21, 2012, allowing the Division to pursue reclamation costs as well as any outstanding penalty amounts, additional costs, and attorney's fees associated with this matter from Expectations.

Expectations Mine

Mr. Mark Miller

Aug 29th 2012

Date

Division of Oil, Gas and Mining

Dana Dean, Associate Director, Mining

August 30, 2012

Date