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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

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Division Director

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

June 8, 2015

Erik Wilcken
Silver Lining Mining, LLC
1711 South 900 East
Lehi, Utah 84043

Subject: Reclamation Surety and Cultural Resource Survey Required, Silver Lining Mining LLC, Silver Lining Mine Project, S/045/0094, Tooele County, Utah

Dear Mr. Wilcken:

The referenced Notice of Intention to Commence Small Mining Operations (NOI), received by the Division of Oil, Gas and Mining on May 28, 2015, is complete **with the exception of the reclamation bonding requirement and cultural resources survey.** The required reclamation surety is $31,500 for a three-year escalation until 2018 or $32,100 for a five-year escalation until 2020. This was determined based on information in the following table.

Small Mine Operation Bond Calculation Worksheet S/045/0094

3-year escalation (2018)

Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	$8,000.00	$8,000.00
Add'l Acres Disturbance	4	$5,000.00	$20,000.00
Mob/demob over 51-100 miles	1	$1,500.00	$1,500.00
Mob/demob over 101-150 miles	0	$2,900.00	$0.00
Mob/demob over 151-200 miles	0	$4,400.00	$0.00
Portal Closure	1	$2,000.00	$2,000.00
Shaft Closure	0	$3,000.00	$0.00
TOTAL			**$31,500.00**

5-year escalation (2020)

Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	$8,200.00	$8,200.00
Add'l Acres Disturbance	4	$5,100.00	$20,400.00
Mob/demob over 51-100 miles	1	$1,500.00	$1,500.00
Mob/demob over 101-150 miles	0	$3,000.00	$0.00
Mob/demob over 151-200 miles	0	$4,500.00	$0.00
Portal Closure	1	$2,000.00	$2,000.00
Shaft Closure	0	$3,000.00	$0.00
TOTAL			**$32,100.00**

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UTAH DNR OIL, GAS & MINING

Please submit the cultural resources survey report (on archival quality paper), the reclamation surety and reclamation contract within the next 30 days. No mining related disturbance may be created until the surety is received and approved and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety can be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond. Please contact Penny Berry at 801-538-5291 or by e mail at pennyberry@utah.gov for assistance in completing this requirement.

Please contact Leslie Heppler at 801-538-5257 or me at 801-538-5261 if you have questions regarding this letter. In reply please refer to file number S/045/0094.

Sincerely,

Paul B. Baker
Minerals Program Manager

PBB: lah: eb
cc: Tooele County- wshubert@co.tooele.ut.us
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