FORM MR-AR
(Revised 2/2001)

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
Fax: (801) 359-3940

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. *General Information*

1. Report Time Period: From (mo./yr.) 1/03 To (mo./yr.) 12/03
2. DOGM File Number (Mine No): M /047/010
3. Mine Name: American Gilsonite Company
4. Mineral(s) Mined (or permitted to mine): Gilsonite
5. Type of mine ☐ Surface Mine or ☑ Underground Mine
6. Legal Description (Location of Lands Affected):

_____1/4, ____1/4, ____1/4, Section _____, Township _____, Range _____
_____1/4, ____1/4, ____1/4, Section _____, Township _____, Range _____
_____1/4, ____1/4, ____1/4, Section _____, Township _____, Range _____

7. Name of Operator or Company: American Gilsonite Company
8. Permanent Street Address: HC 73 Box 28
   City, State, Zip: Vernal UT 84078
   Phone: 435-789-1921 Fax: 435-789-1956
9. Company Representative (or designated operator):
   Name: Clay Taylor
   Title: Senior Mine Engineer
   Business Address: HC 73 Box 28
   City, State, Zip: Vernal UT 84078
   Phone: 435-789-1921 Fax: 435-789-1956

☐ **Please check if any of the above information has changed since previous year.**

II. *Mining and Reclamation*

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DIV. OF OIL, GAS & MINING

1. Was there any mine related activity during the past year? Yes ☑ No ☐
2. If no - what was the last year of activity? _____
3. If yes - how much ore or mineral was mined? 33,640 tons

Reviewed 3/1/04

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.

Mining and processing of gilsonite. One new mine site, E-31W was constructed on 1 acre. Wagon Hound -17 mine site was re-activated.

5. How much **additional acreage** was disturbed during the past year? 1 acre

6. How much acreage was **reclaimed** during the past year? 5 acres

7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

see attachment: American Gilsonite Company 2003 Reclamation Accomplishments

8. What is the **total disturbed acreage of entire project** at years end? 107.7

9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

Mining - Continue operations at E-27, E-31W, I-12, WH-4 WH-17 and finish I-24. Reclamation - Remove bin and derrick at B-38, Install four shaft caps, seed six mine sites.

NOTE: Section III., "Additional Information" applies only to **large mining operations.**

III. *Additional Information - R647-4-121.2 and .3*

1. **The operator shall include an updated map depicting surface disturbance and reclamation performed during the year**, prepared in accordance with Rule R647-4-105.

2. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.

IV. *Signature Requirement*

I hereby certify that the foregoing is true and correct.

Name (Typed or Print): Clay Taylor

Title of Operator: Senior Mine Engineer

Signature of Operator: Clay Taylor

Date: 1-12-04

jb
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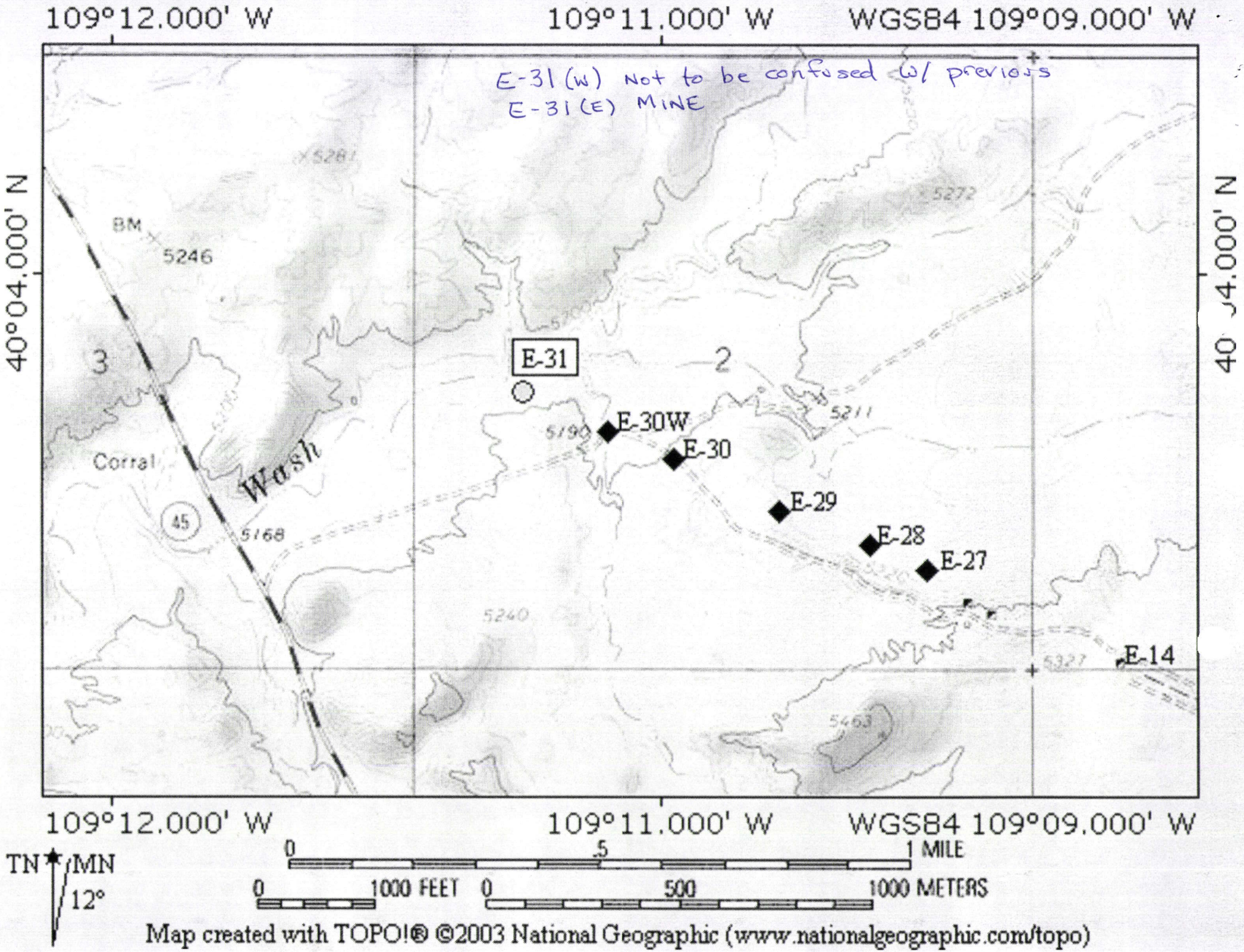
American Gilsonite Company
2003 Reclamation Accomplishments

Mine Site	
R-4	Complete pending seeding and observation for 2 years.
	Previous caps were crooked and installed on loose fill. Prepared collar by digging down to rock with backhoe. Replaced existing caps with larger ones. Installed on < 12" fill. Removed old foundation footings. Removed barb wire fencing.
R-2	Complete pending state review of PUF seal.
	Covered foam with topsoil. Plugged air hole with rock and buried with topsoil.
LE-10	In-progress
	Removed bin structure and hoist house. Removed hoist house and compressor foundations. Electrical disconnect by Moon Lake on power. Removed piping, fans and electrical components. Excavated down to hardrock on east shaft perimeter. Formed/poured rebar reinforced monolithic footer/cap . Excavated down to hardrock on west shaft perimeter. Formed/poured rebar reinforced footer. Brought in larger caps to install on footer.
I-16	In-progress
	Removed hoist house. Removed miscellaneous structures and debris.
I-30	In-progress
	Removed bin structure.
B-28	In-progress
	Removed bin and derrick structures. Formed/Poured new cap for escapeway.
B-42	In-progress
	Removed bin and derrick structures.
E-27	In-progress
	Removed hoist house (lower level hoist).
E-29	In-progress
	Removed bin structure.
E-30	In-progress
	Removed derrick structure.


109°12.000' W
109°11.000' W
WGS84 109°09.000' W
40°04.000' N
E-31 (W) Not to be confused w/ previous
E-31 (E) MINE
BM
5246
3
Corral
Wash
45
5168
5281
5272
5211
5190
5240
5463
5327
2
E-31
E-30W
E-30
E-29
E-28
E-27
E-14
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0
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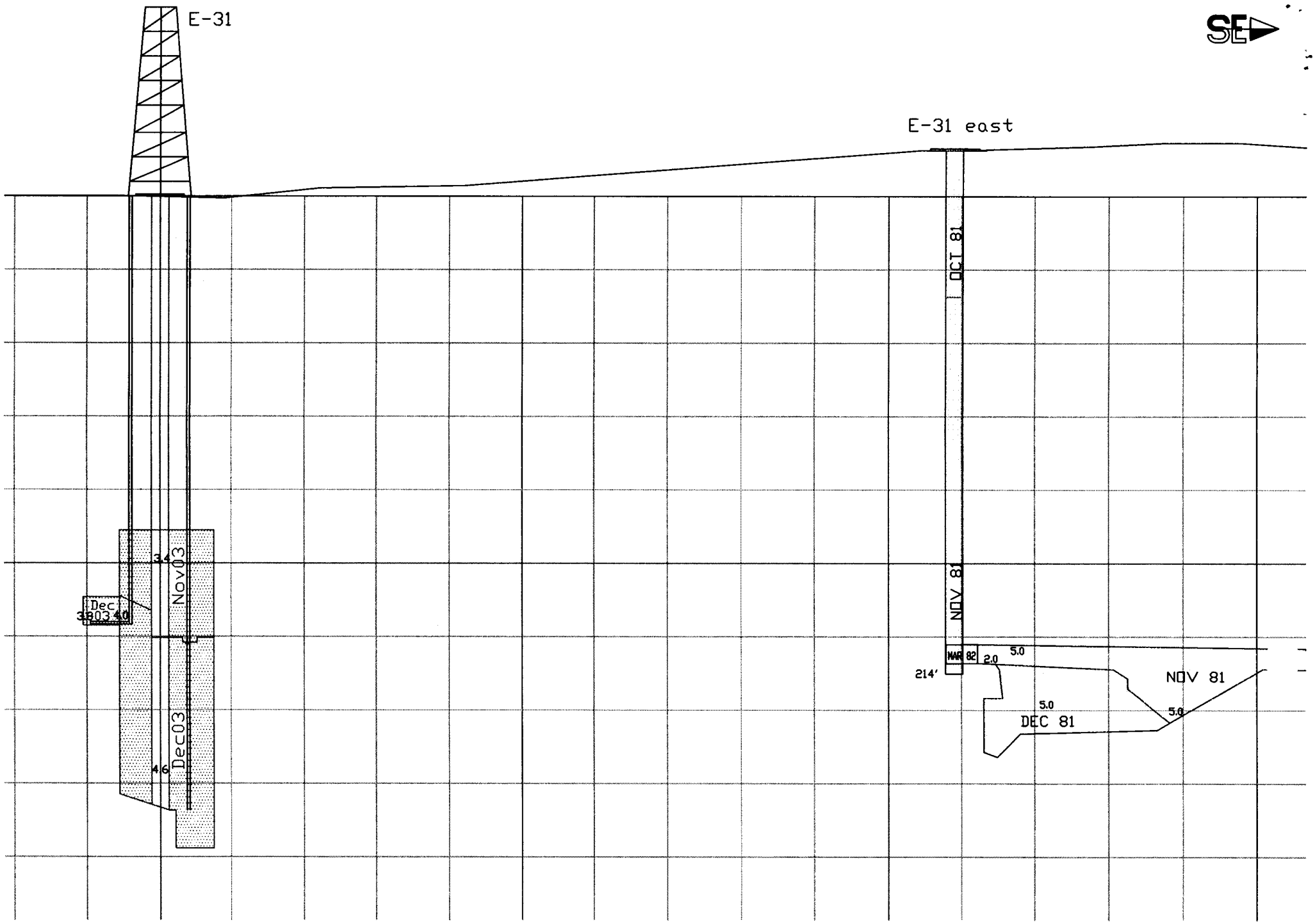
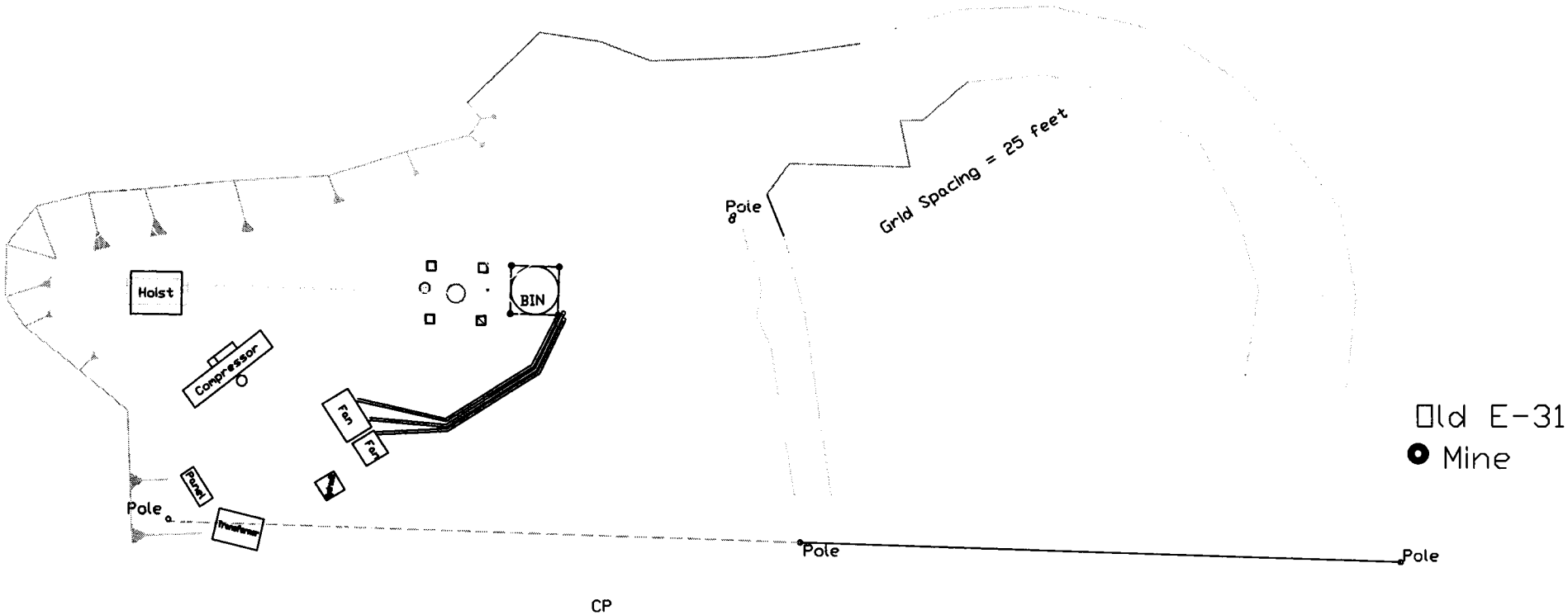
Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)



E-31
E-31 east
OCT 81
NOV 81
MAR 82
2.0
5.0
214'
NOV 81
5.0
DEC 81
5.0
3.4
Nov03
Dec
3.8
03
4.0
Dec03
4.6


Grid Spacing = 25 feet
Pole
Hoist
Compressor
BIN
Fan
Fan
Panel
Transformer
Pole
Pole
Pole
CP
Old E-31
Mine