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cc: April

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101
http://www.blm.gov/ut/st/en.html

IN REPLY REFER TO:
3598
(UT-9223)
UTU-78404

FEB 10 2014

RECEIVED
FEB 19 2014
DIV. OF OIL, GAS & MINING

CERTIFIED MAIL – 7013 2630 0001 5370 6509
Return Receipt Requested

Ziegler Chemical and Mineral Corporation
366 North Broadway, Suite 210
Jericho, New York 11753

Re: Notice of Non Compliance, Federal Lease UTU-78404

Background: The Bureau of Land Management (BLM) sent Ziegler Chemical and Mineral Corporation (here after referred to as Ziegler) an "Evidence Required" Decision on October 23, 2013, requesting a response to issues pertaining to this lease. Ziegler received the request on November 1, 2013. The lease contains a provision that requires the lessee to declare the type of activity that is currently being conducted on the lease prior to maintaining the lease in force for ten years past December 31, 2013.

Notice of Non-Compliance: The BLM decision received by Ziegler on November 1, 2013, required a response within 30 days or December 1, 2013. Ziegler has failed to respond to BLM's request for information.

Relief from Notice of Non-Compliance: Ziegler has 30 days from the date of receipt in which to submit the requested information. If no response is received within the 30 day time period, the BLM will take appropriate action under the regulations and lease (to include potentially terminating the lease).

This notice of non-compliance may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4, and the enclosed Form 1842.1. If an appeal is taken, your notice of appeal must be filed in this office (at the above address) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition (pursuant to regulation 43 CFR 4.21)(58 FR 4939, January 19, 1993) (request) for a stay (suspension) of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay **must** also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed in this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

(1) The relative harm to the parties if the stay is granted or denied,

(2) The likelihood of the appellant's success on the merits,

(3) The likelihood of immediate and irreparable harm if the stay is not granted, and

(4) Whether the public interest favors granting the stay.

If you have questions, please contact Stan Perkes of this office at (801) 539-4036.

Roger L. Bankert
Chief, Branch of Minerals

Enclosure:
1. Form 1842-1

cc: Ziegler Chemical and Mineral Corp, Star Route, Vernal, Utah 84078

BLM Vernal Field Office (UTG01)

BLM Price Field Office (UTG02), Attn: Vaughn Hughes

UDOGM, Attn: John Baza Director