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Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 10, 2010

CERTIFIED RETURN RECEIPT
0301 0120 0000 6387 8270

Stephen Powell
Chimney Rock Corporation
105 East 600 North
Castledale, Utah 84513

Subject: Permit Withdrawal and Order to Reclaim, Chimney Rock Corporation, Chimney Rock/Don 1 & 2 Mine, S/049/0019, Utah County, Utah

Dear Mr. Powell:

Pursuant to UCA 40-8-16(b) and R647-3-111.1.11, effective immediately, the acceptance of your Notice of Intention to Commence Small Mining Operations for the Chimney Rock/Don 1 & 2 Mine (S/049/0019) is withdrawn. You no longer have authority to conduct mining related activities or removal of product from the site. You are hereby ordered to immediately commence reclamation of the site and complete reclamation by April 30, 2010. Failure to do so may result in enforcement action and civil penalties up to $750.00 per day.

The Division is taking this action at this time, since the operation has been inactive for over ten years, you have failed to provide the required reclamation surety for this site, and it appears you no longer have right of entry. In 2006 and 2007, the Division wrote a series of four letters requiring that you submit a reclamation surety and had no response. Letters dated November 19, 2004, and May 20, 2005, required that you provide updated right of entry information. These letters were served by the Emery County Sheriff and were unheeded. On February 8, 2008, the Bureau of Land Management informed you that your mineral materials contract expired June 2, 2007.

As per UCA 40-8-16(3) and R647-3-111.1.11, you have a right to appeal this action and request a formal hearing on the matter. To do so, you must file a written request to appeal no later than March 31, 2010. Contact Julie Carter, Administrative Secretary, at (801) 538-5277, if you wish to exercise your right to appeal this decision before the Board of Oil, Gas and Mining. She can provide you with appropriate guidance and assistance in preparing your formal hearing request.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

Your failure to file such a request may preclude you from further participation, appeal, or judicial review with regard to this action. If you choose not to appeal this proposed Notice of Agency Action, the Division's decision will become final.

If you have any questions regarding this Notice you may contact me at (801) 538-5320, or Paul Baker at (801) 538-5261.

Sincerely,

Dana Dean, P.E.
Associate Director, Mining

DD:lk:vs
cc: Larry Garahana, BLM (lgarhan@BLM.gov)
Peggy Kelsey, Utah County
CastleRock Manufacturing, LLC
Steve Alder, Attorney General's Office
Julie Carter, DOGM
Paul Baker, DOGM
Lynn Kunzler, DOGM
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