JON M. HUNTSMAN JR.
Governor
MICHAEL R. STYLER
Executive Director
JOHN R. BAZA
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

RED MUD MINING COMPANY
PO BOX 17
372 N MAIN
GUNLOCK UT 84733

ATTENTION: IVAN OR JESSE HUNT

ANNUAL PERMIT FEE

Annual Permit Fees (July 2005 thru June 2006)

PROJECT NAME	PROJECT ID	ACRES	BILLING DATE
RED MUD	S530033	NA	06/28/2005

PERMIT TYPE	PROJECT STATUS
SMALL MINING OPERATION < 5 ACRES	INACTIVE

ANNUAL FEE
$ 150

DUE DATE	AMOUNT DUE
07/29/2005	$ 150

Please see enclosed instructions for payment.

Please retain this portion for your records. For billing Information call (801) 538-5291

This portion MUST be returned with your payment to ensure proper credit. THANK YOU

ACCOUNT BILLED	PROJECT NAME	PROJECT ID
RED MUD MINING COMPANY	RED MUD	S530033

DUE DATE	ANNUAL FEE	AMOUNT DUE
07/29/2005	$ 150	$ 150

TAX ID OR SOCIAL SECURITY #
[redacted]

☐ **FEE NOT ENCLOSED**

Permittee requests an inspection to close out this permit.

Change of Address

Contact _____

Address _____

_____

E-Mail Address _____

State _____ Zip _____

Phone _____

DIVISION OF OIL GAS AND MINING
1594 WEST NORTH TEMPLE SUITE 1210
PO BOX 145801
SALT LAKE CITY UT 84114-5801

Please make check payable to:

Division of Oil, Gas and Mining

Instructions for Payment of Fees
June 28, 2005

1. ***Collection of Permit Fees***
The Utah Legislature authorized the collection of permit fees in the Minerals Program July 1, 1998. The fees provide supplemental funding for processing and maintaining mining and exploration permit applications and inspection of those sites.

Please note: Some companies/operators may receive more than one billing form (i.e. multiple mines/projects). It is important to return each one of those forms to ensure proper credit.

2. ***Fees Are Assessed as Follows:***

Notices of Intent	Annual Fee
Exploration Operations	$150.00
Small Mining Operations (5 or less disturbed acres)	$150.00
Large Mining Operations (less than 50 disturbed acres*)	$500.00
Large Mining Operations (more than 50 disturbed acres*)	$1,000.00

3. ***Fees Due Date***
Fees are due by the last Friday in July, for all permitted operations or applications presently under Division review. Fees will also be due upon submission of a new permit application or a permit amendment/revision which increases the acreage to a new fee category.

4. ***Failure to Pay***
Failure to pay the required permit fee will **automatically suspend an operator's authorization to mine or explore** ***(site reclamation is still required by the operator)***. Permit revocation and an Order to reclaim the site may subsequently be required by the Board of Oil, Gas and Mining after Notice and Hearing. New permit applications require fee enclosure with the application, before it will be processed

5. ***Opportunity to Close Out a Permit***
Permittees have the opportunity to close out a permit and not pay the fee. To be eligible to close out a permit, you must return the enclosed billing form with the appropriate box checked. You will then be contacted by the Division to arrange for an onsite inspection. The area must be fully reclaimed and in a stable condition to be eligible for closing out a permit. ***If the area is suitably reclaimed, then NO FEE WILL BE DUE***. If the area is not yet suitably reclaimed, then a new billing notice will be issued and the permittee will be given 30 days from the date of the onsite inspection to pay the fee.

6. ***Delinquent Fees***
All permit fees which remain unpaid will be considered a violation of the Mined Land Reclamation Act and will be subject to enforcement action, which will carry penalties and fines.

7. ***Change of Address***
Please note any address or telephone changes on the return form. (NOTE: An **operator cannot be changed** on this form. This must be accomplished through a formal Permit Transfer).

8. ***Questions or Comments***
Please contact Daron Haddock at (801) 538-5325 or Joelle Burns at (801) 538-5291.

jb
O:\FEES\fees - 2005\fee-initial req-2005.doc