0002 Mine File

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)

Michael O. Leavitt
Governor

Lowell P. Braxton
Division Director

November 12, 1998

Dick Shumway
Sunray Mineral Products
4986 Spanish Valley Drive
Moab, Utah 84532

Re: Acceptance of Amended Notice of Intention to Commence Small Mining Operations, Factory Butte Mineral Project, S/055/006 (ML-44815), Wayne County, Utah

Dear Mr. Shumway:

On September 4, 1998, the Division received your letter describing the sublease assignment of a portion of your state lease ML-44815 to another party. The Division will handle this sublease agreement as an amendment to your current Notice of Intention to Commence Small Mining Operations.

On October 8, 1998, Division and Trust Lands Administration staff met with you on site to collect information to determine if your proposal would be subject to the coal regulations for mining. A November 2, 1998 letter to the School and Institutional Trust Lands Administration from the Permit Supervisor for the Coal Regulatory Program has determined your operation would not be considered a coal mine.

Based on your submission and the on site discussions, we understand you intend to continue mining operations at a different location within the lease. Another party will be responsible for mining in the other portion of the lease. There are no changes proposed for the mining methods or reclamation treatments associated with this amendment. The new location for your Factory Butte Mineral Project will be the S ½ SW 1/4 Section 2, T27S, R9E, SLBM. Existing vegetation cover at the new site is minimal as shown in photos of the area.

This letter is to inform you that your amended small mine notice is complete and no additional information is required by the Division at this time. Please be advised that Division approval does not constitute approval from the School and Institutional Trust Lands Administration.

Please note that any other party wishing to mine the other portions of your lease will need to submit the appropriate notice to the Division for approval prior to conducting any mining at the site. During the site inspection of October 8, 1998, it was discovered that some areas within the old pit area which had been mined by another party had been reclaimed. Additional mining disturbances which are created without the appropriate Division approval in this area will be considered in violation of the Utah Mined Land Reclamation Act.

Please give special consideration to item #10 of the enclosed copy of "Operation and Reclamation Practices" (SMO-1). Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the mine site. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

If you wish to expand your operation beyond the five-acre limitation, please notify this office in advance to discuss the necessary permitting requirements. Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely,

Anthony A. Gallegos
Senior Reclamation Specialist

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Enclosure
cc: John Blake, SITLA
Kiran Bhayani, DWQ
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