

GENERAL INSTRUCTIONS FOR SITLA SAND AND GRAVEL PERMITTEES

SITLA NOTIFICATION REQUIRED: At least 60 days prior to the commencement of any mineral operations upon trust lands under mineral lease or permit the lessee or permittee must submit a written notice of intent (NOI) to the School and Institutional Trust Lands Administration (SITLA), 675 E. 500 So., Suite 500, Salt Lake City, UT 84102. The NOI must include:

1) Reference to the mineral lease or permit number and a list of the names, addresses and telephone numbers of the lessee or permittee and of all designated operators of the lessee or permittee;

2) A description, with photographs, of all existing drill sites, structures, and other surface disturbances located upon the leased or permitted lands, for which the lessee or permittee does not desire to be held accountable;

3) A detailed plan of proposed drilling, mining, crushing, and stockpiling of the leased substances, along with a calculation of the total surface acreage proposed for such operations or disturbances;

4) Topographic and site maps, at a scale of not less than 50 feet per inch, showing the locations and extent of all proposed exploration drill holes, surface excavations, mining portals, stockpile areas, and any surface facilities to be built or used in conjunction with the proposed minerals operations, including crushers and batch plants, as well as the location of existing or proposed access routes to and from the area of proposed operations; and,

5) A business plan describing the products to be produced, and a plan for measuring, weighing and accounting for such production. Also a marketing plan, for pricing, selling and distributing each of the products to be produced from the leased or permitted substances. (Royalties accrue at the point of shipment of the marketable products from the leased or permitted premises.)

6) A reclamation plan including but not limited to: topsoil stockpiling and replacement, re-grading and slopes, re-seeding, general clean-up and removal of equipment.

COUNTY CUP PERMIT REQUIRED: Prior to the commencement of any mining of sand and gravel upon trust lands the permittee must contact the local County and obtain a Conditional Use Permit and must comply with all filing and regulatory requirements of the County.

RECLAMATION BOND REQUIRED: Prior to the commencement of any mineral operations upon trust lands under mineral lease or permit, the permittee must obtain an approved reclamation plan for all proposed drill holes, test pits, mining activities or surface disturbances and post a reclamation bond with the COUNTY or with SITLA in such form and amount as may be determined by the agency.

CULTURAL RESOURCES SURVEY REQUIRED: Prior to the commencement of any mineral operations upon trust lands under mineral lease or permit the lessee or permittee must obtain a Cultural Resources clearance. The permittee may be required to schedule and pay for a qualified archeological consultant to survey all of the areas proposed for disturbance and submit a report of findings for review and approval by SITLA. This requirement will be assessed upon receipt of the NOI by the Trust Lands Administration.

ACCESS REQUIRED: Prior to the commencement of any mineral operations upon trust lands under mineral lease or permit the lessee or permittee must notify all surface owners and all other trust land lessees having a legal interest in the affected trust lands and must, without expense to the Trust Lands Administration or the State of Utah, resolve any problems relative to access or tenancy of the lands. In the event the surface of the leased or permitted lands is privately owned, the lessee or permittee must obtain and submit to SITLA a written and signed agreement with the surface owner providing for access and use of the surface estate in conjunction with the proposed minerals operation.

OTHER AGENCIES/GOVERNMENTS: Prior to the commencement of any mineral operations upon trust lands under mineral lease or permit the lessee or permittee must meet the notification, permitting and licensing

requirements of all other state, local and federal government or quasi-governmental agencies having jurisdiction over the proposed operations or activities upon the lands.

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