STATE OF CALIFORNIA
DEPARTMENT OF CONSERVATION
OFFICE OF MINE RECLAMATION

MINING OPERATION ANNUAL REPORT FOR THE 2005 REPORTING PERIOD
MRRC-2

GENERAL INFORMATION

- The owner, lessor, lessee, agent, manager, or other person in charge of any mining operation of whatever kind or character within the State (including mines being operated on federal lands) must file an annual report with the State and their Surface Mining and Reclamation Act (SMARA) Lead Agency (Public Resources Code [PRC] Section 2207), unless the operation qualifies as exempt under SMARA Section 2714.

- Submit one Mining Operation Annual Report (MRRC-2) for each reclamation plan.

- All operators required to file an annual report must also pay an annual reporting fee according to the Fees Schedule in California Code of Regulations Title 14, Division 2, Chapter 8, Section 3695 *et seq.*

- The 2005 reporting year is from January 1 through December 31, 2005.

- Only operations that have filed a report for a previous reporting period have been assigned a California Mine ID number. If you have not been assigned a California Mine ID number, please leave this space **blank**; it will be assigned after we receive your completed Mining Operation Annual Report.

- The item numbers in these instructions coincide with the item numbers on Form MRRC-2.

- Items 8A & 8B, 10, 11, 13 and 14 are preceded by a box labeled "N.C." If you filed a complete report in a previous reporting period and there have been no changes in the information you submitted for these items, you may check the box instead of filling in the information. **Please check your information carefully.**

- If the mining operation involves separate plots of land which are subject to a single reclamation plan, information in items 10-13 must be completed for each separate plot.

- Items 16C & 16D were added to Page 3 of the form. Fill in the amount of any gold or silver production that was listed in item 15.

- Additional space is provided on Page 4 of the form, if needed to complete any item (please reference the item number and use the same format of that item number).

- If you need additional report forms or further information, you may write to the address below or call the Office of Mine Reclamation at (916) 323-9198.

- Your Mining Operation Annual Report for the 2005 Reporting Period, along with your annual reporting fee (check or money order payable to Department of Conservation/OMR -- please write the California Mine ID number or mine name on your check or money order), **MUST BE POSTMARKED BY JULY 1, 2006** or penalties and interest will be assessed. Please mail to:

DEPARTMENT OF CONSERVATION
OFFICE OF MINE RECLAMATION
801 K STREET, MS 09-06
SACRAMENTO, CA 95814-3529

INSTRUCTIONS FOR COMPLETING FORM MRRC-2

PLEASE TYPE OR PRINT ALL INFORMATION REQUESTED, EXCEPT WHERE SIGNATURE IS REQUIRED

NOTE: YOU MUST COMPLETE THE CA MINE ID# AT THE TOP OF EACH PAGE, AND THE MINE NAME AT THE TOP OF PAGE 1

1. **MINING OPERATION:** Indicate the name of the mine operator, the name and telephone number of the current site contact person, and the street address and mailing address (if different than street address) of the mine site. The Site Contact Person is (1) the person in authority at the site of the operation, and (2) normally, the person with whom contact would be made should the lead agency require an immediate action be taken.

2. **DESIGNATED AGENT:** Each operation must designate a person who resides in California as its legal agent (PRC Section 2207). *The designated agent is the person who will receive and accept legal documents for the mining operation on behalf of the legal owner.* Indicate the name, mailing address, and telephone number of the designated agent. If the designated agent is the same person as the owner or site contact person, you may indicate "same as owner" or "same as site contact person" and leave the rest of this section blank.

3. **LEGAL OWNER OF OPERATION:** Indicate the name, mailing address, country (if other than U.S.A.), and telephone number of the legal owner of the mining operation. *The legal owner may be a person, corporation, government agency, or other entity.* If the operation is owned in partnership, supply this information for each partner. Additional space is provided on Page 4 of the form, if needed (please use the same format). If the owner is the same as the site contact person or operator, you may enter "same as site contact person" or "same as operator" and leave the rest of this section blank. If the mining operation was purchased during the reporting year, indicate the date that the transfer of ownership became final. If the mining operation was sold by you during the reporting year, indicate the date of sale.

   NOTE: If the mailing address has changed since the filing of your last annual report, please indicate the new mailing address in the space provided.

4. **LANDOWNER/ASSESSOR'S PARCEL NUMBER INFORMATION:** Indicate the name, mailing address, country (if other than U.S.A.), and telephone number of the landowner(s), and the assessor's parcel number(s). *The landowner may be a governmental entity, such as the U.S. Forest Service, Bureau of Land Management, or State Lands Commission.* Additional space is provided on Page 4 of the form, if needed (please use the same format).

5. **STATUS OF MINING ACTIVITIES DURING THE REPORTING YEAR** (if your operation was not active, note the following considerations):

   - **If** your operation is newly-permitted but has not yet begun operations, indicate the date of permit approval.
   - **If** your operation's production for the reporting year was less than 10% of any previous maximum annual production, and you intend to resume operations in the future, your operation was "idle" and you are required by law to have an Interim Management Plan (IMP) approved by your lead agency (PRC Section 2770[h]). Please indicate the date the operation became idle, and attach required documentation regarding your IMP.
   - **If** operations ceased during the reporting year, and you have no intent to resume operations, but your lead agency has not certified that reclamation is complete, indicate the date all mining activities ceased.
   - **If** your mining operation is closed, and reclamation has been certified complete by your lead agency, indicate the date mining ceased.

INSTRUCTIONS FOR COMPLETING FORM MRRC-2 (continued)

6. **STATUS OF RECLAMATION ACTIVITIES:** *INDICATE THE PROGRESS OF RECLAMATION ACTIVITIES FOR YOUR MINING OPERATION DURING THE REPORTING YEAR.*

7. **PROOF OF SMARA RECLAMATION INSPECTION:** *STATUTE REQUIRES THAT EACH MINING OPERATION BE INSPECTED ANNUALLY BY THE LEAD AGENCY.* Attach the goldenrod copy of the Surface Mining Inspection Report (MRRC-1) given to you by your lead agency.

8A. **SMARA LEAD AGENCY:** Indicate the SMARA Lead Agency which has jurisdiction over your mining operation. *A SMARA lead agency is the city or county in which the mining operation is geographically located.*

NOTE: FEDERAL AGENCIES ARE NOT SMARA LEAD AGENCIES.

8B. **RECLAMATION PLAN STATUS:** Indicate the date of approval of the reclamation plan by your lead agency, and attach a copy of your reclamation plan with proof of approval. Indicate the number of acres subject to your reclamation plan. **Current law requires that a copy of your approved reclamation plan, and any amendments or conditions of approval to any existing reclamation plan approved by the lead agency, be included with your initial annual report, and that subsequent reports include any revisions or changes to the reclamation plan approved during the reporting year.** Examples of "proof of approval" are: a copy of the lead agency's minutes indicating that approval was granted, or an official city/county approved stamp on your document indicating that approval was granted and the date of approval. If you have submitted your operation's reclamation plan to your lead agency but approval has not been obtained, check "pending" and include the date and proof of submittal. If your reclamation plan is on appeal with the State Mining and Geology Board (SMGB) pursuant to SMARA (PRC Section 2770[e]), check "on appeal" and include the date and proof of submittal.

9. **FINANCIAL ASSURANCES:** *FINANCIAL ASSURANCES ARE REQUIRED BY LAW, and may be in the form of (1) surety bonds, (2) irrevocable letters of credit, or (3) trust funds (NOTE: financial assurances for governmental agencies may, in addition to the three forms noted above, also be in the form of (A) pledges of revenue, or (B) budget set aside). The financial assurances must be adequate to cover the cost of reclaiming the total disturbed acreage at each mining location.* ***Regulations require that operators annually submit to the lead agency a revision of the written calculation upon which the financial assurance amounts are based.***

9A. **FINANCIAL ASSURANCES COST ESTIMATE**: Attach a copy of the most recent financial assurance cost estimate approved by your lead agency and proof of approval. If you have submitted your operation's annual cost estimate revision to the lead agency but approval has not been obtained, so indicate with date and proof of submittal.

9B. **FINANCIAL ASSURANCES MECHANISM**: Attach a copy of the financial assurances mechanism approved by your lead agency, and proof of approval. If you have submitted your operation's financial assurances to your lead agency but approval has not been obtained, so indicate with date and proof of submittal.

10. **LOCATION OF MINING OPERATION:** Determine the point as near the center as possible of the plot of land and provide the following information:
    - Latitude of the approximate central point, to the nearest second. For example: 33° 46' 42" N
    - Longitude of the approximate central point to the nearest second. For example: 116° 07' 12" W
    - Section, Township, Range, and Base Meridian. For example:
        (1) S2, T3N, R5E, MD
        (2) S29, T8S, R2W, H
        (3) S3 & 9 in T6N, R3E, SB
    - U.S. Geological Survey quadrangle name.
    - County.

INSTRUCTIONS FOR COMPLETING FORM MRRC-2 (continued)

PLEASE NOTE: Sections, townships, and ranges have not been surveyed in parts of California, particularly within Spanish Land Grants. If your operation is within one of these areas, indicate the name of the land grant (e.g., Rancho del Arroyo Chico) in place of section, township, and range.

Additional space is provided on Page 4 of the form, if needed (please use the same format). Also attach a copy of a U.S. Geological Survey 7.5-minute (or 15-minute) quadrangle map and delineate the boundaries of your operation.

NOTE: Many map dealers and survey supply stores listed in your telephone directory "yellow pages" stock local U.S. Geological Survey quadrangle maps.

11. **TYPE OF OPERATION:** Type codes for operations are listed in **EXHIBIT A** of these instructions. Indicate, **by numeric code(s),** the type(s) of your operation at this site.

12. **DISTURBED ACREAGE STATUS:** Indicate the mining operation's changes in disturbed acreage during the reporting year. **Refer to your Annual Report for the 2004 reporting period to complete Line 1; the figure for 2005 should match the figure from Item 12 line 5 on last year's report.** *NOTE: If your mining operation is partially vested, please report only the post 1976 disturbed acreage in your calculations.*

13. **SIZE OF OPERATION:** *Complete all parts of this section that apply.* Mining operations in California can be permitted, vested, or both. If your mining operation existed prior to January 1, 1976, the acreage that comprised that operation could be "vested". Most operations approved after January 1, 1976, must have obtained a permit from a lead agency and are termed "permitted" operations. If you have acreage, which was approved through the permit process, indicate the total acres approved and the permit number. If you have acreage, which is "vested", indicate the number of acres in operation when vested. Also indicate acreage in operation on federal lands, and the Federal Agency Permit or BLM ID Number.

14. **ASSESSED VALUE OF OPERATION:** Indicate the current total assessed value of the mining operation, as established by the county in which your operation is located. (This may include any and all assessments, such as real property, personal property, mineral value, reserves, etc.) This information is given on your county tax bill, or you may call your county assessor's office.

15. **COMMODITIES AND PRODUCTION FOR THE 2005 REPORTING YEAR: NOTE: SOME OF THIS INFORMATION IS CONFIDENTIAL,** but may be used cumulatively by the Department of Conservation to determine the mining industry's economic benefits to the State. State law requires that the list of commodities produced be provided annually to lead agencies, as well as to the State. However, **ALL OTHER REQUIRED PRODUCTION INFORMATION WILL BE KEPT CONFIDENTIAL (per Government Code Section 6252) AND WILL NOT SHOW ON THE LEAD AGENCY COPY (PRC Section 2207(g)).**

    A. **Indicate** your primary commodity and the category number for that primary commodity from **EXHIBIT B**. Your "primary" commodity is that which provides the highest dollar value sales for your operation (CCR, Title 14, Division 2, Chapter 8, Section 3695 *et seq.*).
    If you had no production during the reporting year, check the appropriate column (but indicate the primary commodity that the mine would produce if active).
    If you had production during the reporting year, enter your total production and check the appropriate unit of measure.

    B. **Indicate** all other commodities and the category number(s) for those commodities from **EXHIBIT B.**
    If you had no production during the reporting year, check the appropriate column.
    If you had production during the reporting year, enter your total production and check the appropriate unit of measure.

16. REPORTING FEE: One reporting fee (and annual report) is due for each reclamation plan (see **EXHIBIT C** for the Fees Schedule). In case of late payment of the reporting fee, a penalty of not less than one hundred dollars ($100) or 10 percent of the amount due, whichever is greater, plus interest at the rate of 1.5 percent per month, computed from the delinquent date of the assessment until and including the date of payment, shall be assessed (PRC Section 2207[d][5]).

A. FOR "NEWLY-PERMITTED" AND "CLOSED" OPERATIONS: Locate **both** your appropriate status and corresponding code from **EXHIBIT C, TABLE I,** and enter the **CODE** on Line 16(A).

FOR "ACTIVE" AND "IDLE" OPERATIONS: Noting **both** your category number and total production from item 15(A), locate your **production range** and corresponding **code** from **EXHIBIT C, TABLE II,** and enter the **CODE** on Line 16(A).

B. Noting your code on Line 16(A), enter your corresponding **REPORTING FEE** from **EXHIBIT C** on Line 16(B), and attach a check or money order in that amount payable to the Department of Conservation/OMR.

C. Referring to the corresponding gold production amount (if any) listed in item 15(A) or 15(B), enter the production amount on Line 16(C) and calculate the amount owed as shown.

D. Referring to the corresponding silver production amount (if any) listed in item 15(A) or 15(B), enter the production amount on Line 16(D) and calculate the amount owed as shown.

EXCEPTIONS TO THIS INSTRUCTION:

a) If your mining operation meets all of the qualifications for a Multiple-Site Single Fee (see page 11) you may enter a notation to that effect, attach the completed Multiple-Site Single Fee Request form (MRRC-4M), along with the $4,243 Multiple-Site single Reporting Fee for the operations listed on the request form.

b) If your mining operation meets all of the qualifications for a Low-Gross Exemption Fee (see page 12), you may enter a notation to that effect, attach the completed Low-Gross Exemption Fee Request form (MRRC-4L), along with required documentation and the $424 Low-Gross Exemption Reporting Fee for the operation listed on the request form.

SUBMITTAL INFORMATION

The owner, lessor, lessee, agent, manager, or other person in charge of your mining operation shall submit this Mining Operation Annual Report to the Department of Conservation's Office of Mine Reclamation and your SMARA Lead Agency. The person submitting this information must provide his or her name, mailing address, and telephone number in the space provided. Your relationship to the mining operation (title) must be indicated.

- **Sign and date** your annual report.
- Review your annual report for **completeness and accuracy**. Failure to submit complete and accurate requisite information may result in an administrative penalty as provided for in SMARA (PRC Section 2774.1).
- Be certain that all **required attachments** are included with your annual report. (If you have previously submitted the appropriate marked U.S.G.S. map, a copy of your approved reclamation plan and proof of SMARA Lead Agency approval, and a copy of the approved financial assurance(s) and proof of SMARA Lead Agency approval, you do not need to send additional copies of these items. However, you must still submit the remaining required attachments.)
- Mail the **complete** copy (each page) of your annual report, the appropriate **reporting fee**, and **all required attachments** to:

Department of Conservation
Office of Mine Reclamation
801 K Street, MS 09-06
Sacramento, CA 95814-3529

- Mail the **blacked out production** copy (along with Page 1 and 2) of your annual report to your SMARA Lead Agency.
- Retain a **complete** copy for your records.

EXHIBIT A

TYPES OF OPERATIONS

TYPE CODE	DESCRIPTION
1	**Brine Well:** A cased drill hole penetrating a salt formation through which water is introduced and brine is pumped to the surface.
2	**Dredge:** Large floating contrivance utilized in underwater excavation for the purpose of removing overburden from submerged ore bodies prior to open pit mining, or to recover subaqueous deposits having commercial value.
3	**Evaporation System:** Solar evaporation usually used for salt and brine operations.
4	**Streambed or Gravel Bar Skimming and Pitting:** Removal of alluvial (generally sand and gravel) stream deposits during periods of low water flow.
5	**Hydraulic:** The extraction of desired earth material by means of strong jets of water.
6	**Open Pit:** Surficial mining, in which the valuable rock is exposed by removal of overburden.
7	**Plant or Mill:** Mineral processing plant, or mill.
8	**Prospect:** An area that is a potential site of mineral deposits, based on preliminary assessments. A prospect is distinct from a mine in that it is non-producing.
9	**Quarry:** Open workings, usually for the extraction of stone.
10	**Tailings Processing:** Reprocessing of refuse material resulting from processing of ore.
11	**Underground:** Situated, done, or operating beneath the surface of the ground; therefore, adits, shafts, and tunnels.
12	**Undetermined:** Type cannot be determined from information.

EXHIBIT B

MINERAL PRODUCTS BY CATEGORIES

CATEGORY NO. 1
(AGGREGATE PRODUCTS AND INDUSTRIAL MINERALS)

CATEGORIES	UNITS OF MEASURE
Abrasives	Short tons
Asbestos	Short tons
Barite	Short tons
Bituminous rock	Short tons
Borates	Short tons
Cinders	Short tons
Clay	Short tons
Decomposed granite	Short tons
Decorative rock	Short tons
Diatomite	Short tons
Dimension stone	Short tons
Dolomite	Short tons
Feldspar	Short tons
Fill dirt	Short tons
Fluorite	Short tons
Gemstones	Short tons
Graphite	Short tons
Gypsum	Short tons
Iron ore	Short tons
Kyanite	Short tons
Lignite	Short tons
Lime	Short tons
Limestone	Short tons
Lithium	Short tons
Magnesite	Short tons
Mica	Short tons
Olivine	Short tons
Peat	Short tons
Perlite	Short tons
Phosphate	Short tons
Potash	Short tons
Pumice	Short tons
Pyrophyllite	Short tons
Quartz crystal	Short tons
Rare earth elements	Short tons
Saline compounds	Short tons
Salt	Short tons
Sand and Gravel	Short tons
Sea shells	Short tons

CATEGORY NO. 1 (cont.)
(AGGREGATE PRODUCTS AND INDUSTRIAL MINERALS)

CATEGORIES	UNITS OF MEASURE
Sericite	Short tons
Shale	Short tons
Silica	Short tons
Slag	Short tons
Specialty sand	Short tons
Stone	Short tons
Sulfur	Short tons
Talc	Short tons
Vermiculite	Short tons
Wollastonite	Short tons
Zeolites	Short tons
Zircon	Short tons

CATEGORY NO. 2
(GOLD, SILVER, AND PRECIOUS METALS)

CATEGORIES	UNITS OF MEASURE
Gold (Lode)	Troy ounces
Gold (Placer)	Troy ounces
Platinum group metals	Troy ounces
Silver	Troy ounces

CATEGORY NO. 3
(BASE METALS AND OTHER METALS)

CATEGORIES	UNITS OF MEASURE
Antimony	Pounds
Arsenic	Pounds
Chromite	Pounds
Copper	Pounds
Gemstones	Pounds
Lead	Pounds
Manganese	Pounds
Mercury	Pounds
Molybdenum	Pounds
Nickel	Pounds
Pyrite	Pounds
Tin	Pounds
Titanium	Pounds
Tungsten contained	Pounds
Uranium	Pounds
Vanadium	Pounds
Zinc	Pounds

EXHIBIT C
FEES SCHEDULE

STATUS AND PRODUCTION DURING THE 2005 REPORTING YEAR FOR ALL OPERATIONS:

TABLE 1 -- FOR "NEWLY-PERMITTED" AND "CLOSED" OPERATIONS:

REFER TO ITEM 5 OF YOUR ANNUAL REPORT	CODE	FEE
NEWLY-PERMITTED: NOT YET IN OPERATION	A	$106
CLOSED: MINING CEASED WITH NO INTENT TO RESUME, NO PRODUCTION. RECLAMATION **INCOMPLETE**	B	$106
CLOSED: MINING CEASED WITH NO INTENT TO RESUME, NO PRODUCTION. RECLAMATION **COMPLETE**	C	$106

TABLE II -- FOR "ACTIVE" AND "IDLE" OPERATIONS:

CATEGORY NO. 1: REFER TO ITEM 15A OF ANNUAL REPORT	CODE	FEE
0 TONS UP TO AND INCLUDING 100 TONS	D	$400
GREATER THAN 100 TONS UP TO AND INCLUDING 1,000 TONS	E	$623
GREATER THAN 1,000 TONS UP TO AND INCLUDING 10,000 TONS	F	$2,893
GREATER THAN 10,000 TONS UP TO AND INCLUDING 50,000 TONS	G	$4,243
GREATER THAN 50,000 TONS UP TO AND INCLUDING 100,000 TONS	H	$4,243
GREATER THAN 100,000 TONS	I	$4,243
CATEGORY NO. 2: REFER TO ITEM 15A OF ANNUAL REPORT	**CODE**	**FEE**
0 OUNCES UP TO AND INCLUDING 1 OUNCE	J	$400
GREATER THAN 1 OUNCE UP TO AND INCLUDING 10 OUNCES	K	$450
GREATER THAN 10 OUNCES UP TO AND INCLUDING 50 OUNCES	L	$675
GREATER THAN 50 OUNCES UP TO AND INCLUDING 150 OUNCES	M	$4,243
GREATER THAN 150 OUNCES UP TO AND INCLUDING 300 OUNCES	N	$4,243
GREATER THAN 300 OUNCES	O	$4,243
CATEGORY NO. 3: REFER TO ITEM 15A OF ANNUAL REPORT	**CODE**	**FEE**
0 POUNDS UP TO AND INCLUDING 10 POUNDS	P	$400
GREATER THAN 10 POUNDS UP TO AND INCLUDING 100 POUNDS	Q	$623
GREATER THAN 100 POUNDS UP TO AND INCLUDING 1,000 POUNDS	R	$2,893
GREATER THAN 1,000 POUNDS UP TO AND INCLUDING 10,000 POUNDS	S	$4,243
GREATER THAN 10,000 POUNDS UP TO AND INCLUDING 20,000 POUNDS	T	$4,243
GREATER THAN 20,000 POUNDS	U	$4,243

State of California
DEPARTMENT OF CONSERVATION
Request for Multiple-Site
Method of Fee Assessment
MRRC-4M

Requested by:_____
Mine Operator or Mining Company

MULTIPLE-SITE SINGLE FEE REQUEST FOR 2005 REPORTING PERIOD

Operators with multiple, **ACTIVE** surface mining operations may qualify for a reduced, single reporting fee of $4,243, if answers to **ALL** of the following questions are "**YES**" (idle mining operations must be reported separately):

Yes ☐ No ☐ 1. Are all of the operations operated by a single operator or mining company?

Yes ☐ No ☐ 2. Is the total combined production of the primary commodity for all operations:

a) less than 100 troy ounces for precious metals?

OR

b) less than 100,000 short tons for commodities other than precious metals?

Yes ☐ No ☐ 3. Are all operations **active**?

Yes ☐ No ☐ 4. Are **idle** operations excluded from this request?

Yes ☐ No ☐ 5. Will all active operations within the State operated by this operator or company be listed on this single fee request form?

Yes ☐ No ☐ 6. Will this completed form be submitted with separate annual reports for each operation? (California Code of Regulations [CCR] requires the $4,243 single fee to be paid by July 1, 2006.)

IF YOU ANSWERED "NO" TO ANY OF THE QUESTIONS ABOVE (ITEMS 1-6), THE OPERATIONS DO NOT MEET THE MULTIPLE-SITE SINGLE FEE REQUIREMENTS OF CCR SECTION 3697. IF YOU ANSWERED "YES" TO ALL OF THE QUESTIONS ABOVE, COMPLETE THIS FORM AND SUBMIT IT TO THE OFFICE OF MINE RECLAMATION WITH THE SEPARATE 2005 MINING OPERATION ANNUAL REPORTS FOR EACH OPERATION LISTED BELOW
(For additional sites, please attach a separate sheet.)

CA MINE ID#	PRIMARY COMMODITY	AMOUNT PRODUCED	CHECK ONE	
			Short Tons	Troy Ounces
TOTAL COMBINED AMOUNT PRODUCED				

If the Department of Conservation determines that the multiple-site single fee is not warranted, the operator shall remit annual reporting fees calculated upon the total primary mineral commodity produced on each of the sites listed above, pursuant to CCR Section 3698. Such fees shall be remitted within thirty (30) days of notification by the Department of Conservation. An operator or owner remitting annual reporting fees later than thirty (30) days after notification, shall be assessed penalties and interest, as provided for in Public Resources Code (PRC) Section 2207 (d)(5).

I certify that the information submitted herein is complete and accurate (failure to submit complete and accurate requisite information may result in the imposition of an administrative penalty of up to $5,000 a day, as provided for in PRC Section 2774.1).

_____ _____ _____
Signature Title Date

State of California
DEPARTMENT OF CONSERVATION
Request for Exemption From
Method of Fee Assessment
MRRC-4L

Requested by:_____
Mine Operator or Mining Company

LOW-GROSS EXEMPTION FEE REQUEST FOR 2005 REPORTING PERIOD

Non-Governmental operators with only one surface mining operation in the State (operation must be active) which had a gross income of less than $100,000 for the 2005 reporting period may qualify for a reduced reporting fee of $424, if answers to **ALL** of the following questions are **"YES"**, and this form is submitted by July 1, 2006:

Yes ☐ No ☐ 1. Is all the material extracted from one surface mining operation?

Yes ☐ No ☐ 2. Does the operation have Lead Agency approval of a Reclamation Plan and Financial Assurance(s)?

Yes ☐ No ☐ 3. Are all of the single operator or mining company's surface mining activities which are located in the State of California tied to, or located on, this one site?

Yes ☐ No ☐ 4. Is the amount of gross income of the surface mining operation, for the 2005 calendar year, less than one hundred thousand dollars ($100,000)?

Yes ☐ No ☐ 5. Will proof of gross income be attached to this request in the form of a signed, federal tax return(s), or a report prepared and signed by a certified public accountant (CPA)?

Should number 5 above be fulfilled by submitting a Federal tax return(s), the request may be denied for failure to supply a signed Federal Internal Revenue Service Form 4506 if requested by the Department. Form 4506 will allow the Department to verify submitted tax records with IRS records (CCR Section 3699[a]).

Yes ☐ No ☐ 6. Will the owner or operator of the operation submit by July 1, 2006, all of the following:

a) The 2005 Mining Operation Annual Report (form MRRC-2)?
b) The reporting fee of four hundred twenty-four dollars ($424)?
c) This completed request form?
d) Proof of gross income less than $100,000, as specified in Item 5 above?

IF YOU ANSWERED "NO" TO ANY OF THE QUESTIONS ABOVE (ITEMS 1-6), THE OPERATION DOES NOT MEET THE LOW-GROSS EXEMPTION FEE REQUIREMENTS OF THE TITLE 14, CALIFORNIA CODE OF REGULATIONS (CCR) SECTION 3699. IF YOU ANSWERED "YES" TO ALL OF THE ABOVE QUESTIONS, COMPLETE THIS FORM AND SUBMIT IT BY JULY 1, 2006, TO THE OFFICE OF MINE RECLAMATION WITH THE 2005 MINING OPERATION ANNUAL REPORT.

CA Mine ID# _____. Mine Name_____.
(as reported on form MRRC-2)

Annual Gross Income $ _____ *(attach a copy of your signed, Federal Income Tax return(s), or a report prepared and signed by a Certified Public Accountant [CPA]).*

Date Reclamation Plan was approved by Lead Agency _____.

Date Financial Assurance(s) was approved by Lead Agency_____.

If the Department of Conservation (Department) determines that the low-gross exemption is not warranted, the operator shall either: (1) remit an annual reporting fee calculated upon the total primary mineral commodity produced, pursuant to Title 14, CCR Section 3698, within thirty (30) days of notification by the Department of Conservation; or (2) may appeal to the State Mining and Geology Board (Board), pursuant to Title 14, CCR Section 3699, within fifteen (15) days of notification by the Department. If the operator does not appeal, the appeal is not within the Board's jurisdiction, or the Board affirms the Department's decision, the operator or owner shall remit an annual reporting fee calculated upon the total primary mineral commodity produced, pursuant to Title 14, CCR Section 3698. Such fee shall be remitted within thirty (30) days of notification by the Department or the Board. An operator or owner remitting an annual reporting fee later than thirty (30) days after notification shall be assessed a penalty and interest, as provided for in Public Resources Code (PRC) Section 2207(d)(5).

I certify that the information submitted herein is complete and accurate (failure to submit complete and accurate requisite information may result in the imposition of an administrative penalty of up to $5,000 a day, as provided for in PRC Section 2774.1). Additionally, I understand that submittal of this form to the Department of Conservation after July 1, 2006, does not constitute a valid Low-Gross Exemption Fee request.

_____ _____ _____
Signature Title Date