

**DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING**

NOTICE OF VIOLATION

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| IN THE MATTER OF THE NOTICE OF |) | |
| VIOLATION ISSUED TO |) | |
| MR. JON RHINE |) | DOCKET NO. <u>5112-13</u> |
| INTERPACE HOLDINGS, LLC |) | |
| 736 WEST HARRISVILLE RD. |) | |
| OGDEN, UT 84404 |) | |
| RE: Small Mining Permit 509(s) |) | |

NOTICE

NOTICE IS HEREBY GIVEN THAT:

1. Notice of Violation is being sent to you pursuant to W.S. §35-11-701(c)(i) which requires that a written notice shall be issued in the case of failure to correct or remedy an alleged violation.
2. On August 5, 2008, an Annual Inspection of Interpace Holdings, LLC, Small Mining Permit No. 509(s), was conducted by John Erickson of the Land Quality Division District II office in Lander, Wyoming. The permit area is located on private lands in Sections 18 and 19, T.16N., R.120W., Uinta County, Wyoming.
3. The inspection documented that a new clay pit affecting approximately 1.4 acres had been excavated within the permit area. The inspection report noted that the pit was a safety hazard and should be backfilled no later than the end of 2009.
4. On September 14, 2010, an Annual Inspection was conducted by Mr. Erickson. The inspection documented that the pit had not been backfilled, and further stated that there had been no effective reclamation at the mine since the permit was issued in 1980. The inspection report required Interpace to backfill the open pit and initiate reclamation of the entire mine by the end of the 2011 field season.
5. On August 16 and September 22, 2011, an Annual Inspection was conducted by John Erickson. The September 22, 2011 inspection was attended by Mr. Jon Rhine, President of Interpace Holdings. Mr. Rhine stated that there was remaining clay in the open pit to be removed, but committed to reclaiming the mine by the end of the 2012 field season.
6. On June 19, 2012, an Annual Inspection was conducted by John Erickson. The inspection documented the failure of the company to conduct any reclamation.
7. On July 18, 2012, a follow-up inspection was conducted by John Erickson which was attended by Mr. Rhine. During the inspection, Mr. Rhine stated that Interpace was no longer in business but that he was soliciting bids to reclaim the mine.
8. On October 12, 2012, a follow-up inspection was conducted by John Erickson. The inspection documented that there had been no reclamation at the mine.
9. W.S. §35-11-415 (b)(ix) states that it is the duty of an operator to “reclaim the affected land as mining progresses in conformity with the approved reclamation plan”.
10. The approved Reclamation Plan for Permit 509(s) states that “reclamation in this mine will be done concurrently with mining activity”.
11. Failure to reclaim mining disturbances at the Interpace Holdings mine, Permit 509(s), is a violation of W.S. §35-11-415 (b)(ix).

12. The violation has not been corrected or remedied, nor has the operator provided any information to the Land Quality Division concerning the violations.
13. W.S. 35-11-901(a) provides that any person who violates any provision of the Environmental Quality Act or any rule, standard, permit, license or variance adopted thereunder is liable to a penalty of ten thousand dollars (\$10,000.00) for each day of violation, which penalty may be recovered in a civil action brought by the Attorney General in the name of the People of the State of Wyoming.

Nothing in this Notice of Violation (NOV) shall be interpreted to in any way limit or contravene any other remedy available under the Environmental Quality Act, nor shall this NOV be interpreted as being a condition precedent to any other enforcement action.

SIGNED THIS 18th day of January, 2013



Todd Parfitt
Director
Department of Environmental Quality



Nancy Nuttbrock
Administrator
Land Quality Division

PLEASE DIRECT ALL INQUIRIES regarding this Notice of Violation to Mr. Mark Moxley, District II Supervisor, Land Quality Division, 510 Meadowview Dr., Lander WY 82520

xc: Mark Moxley, Lander LQD