FILED

BEFORE THE ENVIRONMENTAL QUALITY COUNCIL STATE OF WYOMING

JAN 16 2009

Jim Ruby, Executive Secretary Environmental Quality Council

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|) | Docket No. | 08-4505 |
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ORDER OF BOND FORFEITURE

THIS MATTER came before the Wyoming Environmental Quality Council (Council) on a motion from the Wyoming Department of Environmental Quality (DEQ) for forfeiture of the bond against Phoenix Metals of Wyoming (Phoenix). The Council, having reviewed the motion and being otherwise fully informed, MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:

- 1. Phoenix posted a \$2,000.00 reclamation performance bond in the form of Certificate of Deposit No. 1337, held by The Equality State Bank in Cheyenne, allowing Phoenix to conduct an exploration operation located in Sections 31 & 32, Township 16 North, Range 78 West, Albany County, Wyoming.
- 2. The DEQ issued Notice of Violation No. 4200-07 to Phoenix on December 28, 2007, because Phoenix failed to commence reclamation of the area disturbed during its exploration activities.
- 3. The Council approved the DEQ's request to initiate bond forfeiture proceedings against Phoenix on September 30, 2008.

- 4. On October 13, 2008, the Office of the Attorney General mailed Notice of Bond Forfeiture to Phoenix by certified mail. The notice stated that the Council would enter an order forfeiting Phoenix bond unless Phoenix demanded a hearing before the Council within thirty days. Phoenix received the notice on or about October 18, 2008. Phoenix did not request a hearing within thirty days of its receipt of the Notice of Bond Forfeiture.
- 5. The record in this matter establishes that the DEQ has satisfied all requirements for bond forfeiture pursuant to Wyo. STAT. ANN. § 35-11-421, for an order forfeiting Phoenix's \$2,000.00 reclamation performance bond, in the form of Certificate of Deposit No. 1337.

The Environmental Quality Council, being otherwise fully advised on the premises, HEREBY ORDERS:

- 1. The aforementioned reclamation performance bond forfeited to the Wyoming Department of Environmental Quality, Land Quality Division, to be used by the DEQ for the reclamation of all lands affected by Phoenix Metals of Wyoming's exploration operations under permit number LE-181.
- 2. Any proceeds remaining after reclamation shall be subject to any claim by the people of the State of Wyoming.

| 3. | Any | funds | remaining | after | reclamation | and | payment | of | other | claims | shall |
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| be returned to Phoenix Metals of Wyoming, if it can be found. | | | | | | | | | | | |

DATED this 15 day of January, 20 39.

WYOMING ENVIRONMENTAL QUALITY COUNCIL

Chairman

CERTIFICATE OF SERVICE

I, Kim Waring, certify that at Cheyenne, Wyoming, on the 16th day of January, 2009, I served a copy of the foregoing ORDER OF BOND FORFEITURES by depositing copies of the same in the United States mail, postage prepaid, duly enveloped and addressed to:

Mr. Malcom Shepard Phoenix, LLC 2300 Knollwood Gillette, WY 82718

also to the following persons via electronic mail:

John S. Burbridge Sr. Assistant Attorney General Jburb1@state.wy.us

John Corra, Director Department of Environmental Quality jcorra@wyo.gov

Don McKenzie Dept. Of Environmental Quality Land Quality Division dmcken@wyo.gov

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