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007/001 #4

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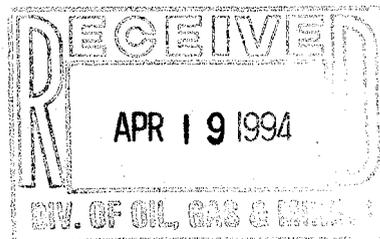
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HAND DELIVERED

April 19, 1994

Mr. Daron Haddock
 Permit Supervisor
 Utah Division of Oil, Gas & Mining
 355 West North Temple
 3 Triad Center, Suite 350
 Salt Lake City, Utah 84180-1203



RE: Reclamation Agreement -- White Oak Mining & Construction
 Company, Inc., Belina Mine Complex, Permit No. ACT/007/001

Dear Daron:

Enclosed as we discussed is the Reclamation Agreement and accompanying exhibits executed by White Oak Mining & Construction Company, Inc. ("White Oak") as permittee of the Belina Mine Complex, Permit No. ACT/007/001. The law firm of Fabian & Clendenin is serving as Escrow Agent to facilitate an arrangement whereby the surety bond and bond rider filed to secure Valley Camp of Utah, Inc.'s ("Valley Camp's") performance of reclamation responsibilities for Permit No. ACT/007/001 is released and terminated and White Oak's new surety bond is simultaneously posted with the Utah Division of Oil, Gas & Mining ("Division"). Fabian & Clendenin has agreed to hold a surety bond on behalf of White Oak in the amount of \$5,891,000 pending the Division's and Office of Surface Mining Reclamation & Enforcement's ("OSM's") review and approval of the form of the Reclamation Agreement and federal surety bond. Upon notification that the Division and OSM are prepared to accept this form, we have been instructed to deliver and release White Oak's surety bond to the Division and simultaneously take physical possession of Valley Camp's surety bond.

Please contact me as soon as the Division and OSM have approved White Oak's Reclamation Agreement and federal surety bond form. At that time, we will arrange to deposit the new bond and pick up the Valley Camp surety bond and bond rider released by the Division.

LAW OFFICES OF
FABIAN & CLENDENIN
A PROFESSIONAL CORPORATION

Mr. Daron Haddock
April 19, 1994
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Thank you for your assistance in this matter.

Very truly yours,



Denise A. Dragoo

DAD:jmc:32700

Enclosures

cc: James W. Carter, Esq.
Lowell Braxton
Thomas A. Mitchell, Esq.
Todd Kiscaden
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