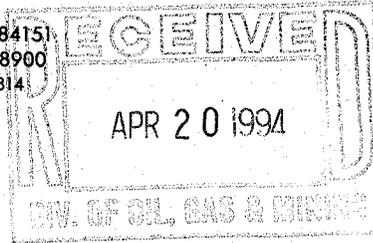


FABIAN & CLENDENINA PROFESSIONAL CORPORATION
ATTORNEYS AT LAWTWELFTH FLOOR
215 SOUTH STATE STREET
P.O. BOX 510210
SALT LAKE CITY, UTAH 84151
TELEPHONE (801) 531-8900
FACSIMILE (801) 596-2814OF COUNSEL
PETER W. BILLINGS, SR.
RALPH H. MILLERNEVADA OFFICE
KEVIN N. ANDERSON2835 SOUTH JONES BLVD., SUITE 5
LAS VEGAS, NEVADA 89102
TELEPHONE (702) 367-4545
FACSIMILE (702) 252-5014GEORGE D. MELLING, JR.
WARREN PATTEN
M. BYRON FISHER
STANFORD B. OWEN
WILLIAM H. ADAMS
ANTHONY L. RAMPTON
PETER W. BILLINGS, JR.
THOMAS CHRISTENSEN, JR.
DENISE A. DRAGOO
JAY B. BELL
DANIEL W. ANDERSON
GARY E. JUBBER
ROSEMARY J. BELESS
ANNA W. DRAKE
W. CULLEN BATTLE
KEVIN N. ANDERSONRANDY K. JOHNSON
NORMAN J. YOUNKER
MICHELE MITCHELL
JOHN E. S. ROBSON
DOUGLAS B. CANNON
DOUGLAS J. PAYNE
ROBERT PALMER REES
DIANE H. BANKS
P. BRUCE BADGER
JOHN (JACK) D. RAY
KATHLEEN H. SWITZER
CRAIG T. JACOBSEN
BRUCE D. REEMSNYDER
BROCK R. BELNAP
DOUGLAS R. BREWER
CRAIG E. HUGHES**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.

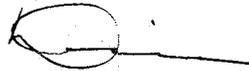
Please contact me as soon as the Division and OSM have approved White Oak's Reclamation Agreement and federal surety bond form. At that time, we will arrange to deposit the new bond and pick up the Valley Camp surety bond and bond rider released by the Division.

LAW OFFICES OF
FABIAN & CLENDENIN
A PROFESSIONAL CORPORATION

Mr. Daron Haddock
April 19, 1994
Page 2

Thank you for your assistance in this matter.

Very truly yours,



Denise A. Drago

DAD:jmc:32700

Enclosures

cc: James W. Carter, Esq.
Lowell Braxton
Thomas A. Mitchell, Esq.
Todd Kiscaden
Scott Kiscaden
John Kirkham, Esq.
Philip Gibson, Esq.
Maureen Carman, Esq.
Nicholas Glancey, Esq.