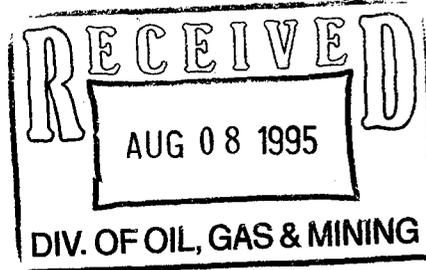


ACT/007/001
#2

White Oak Mining & Construction Co., Inc.

Scofield Route, Helper, Utah 84526
(801) 448-9420 - Fax # (801) 448-9456

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



August 7, 1995

RE: MRP Mining Reclamation Plan: Bond Reduction Change.

Dear Darron:

ACT/007/001 #2

The attached pages were taken from the approved pages from the "MRP Mining Reclamation Plan, Bond Reduction Change" which was incorporated by the Division of Oil, Gas & Mining on June 20, 1995. As per the recommendation of Mr. Randy Harden on August 7, 1995, the approved text was expanded to match those pages currently in the "MRP - Mining Operation and Reclamation Plan" dated September, 1994. Please replace the appropriate pages of the existing MRP with those pages R-3, 4, 9, 10, 35, 36 and 37 attached.

Should you have any questions, please call.

Sincerely,


Steven K. Tanner
Environmental Coordinator

- Areas occupied by support facilities will not be reclaimed until the conclusion of mining activities.
- Prior to final reclamation, the Operator, land owner and other appropriate regulatory agencies will have reviewed the disturbed areas and agreed upon a mutually acceptable Reclamation Plan. This will allow land owner(s) and appropriate agencies the opportunity to review the Reclamation Plan. At some point in time, should the land owner(s) desire to change the postmining land use to be other than full reclamation, the alternate postmining land use, landowners written request, and their letter of understanding will be submitted for approval. Once that alternate postmining land use is approved, revised drawings and cross sections will be submitted for approval. Information related to current lease agreements obtained from land owners or surface managers is available at the offices of White Oak Mining & Construction Co., Inc.

In general, reclamation of the White Oak mining operation includes:

White Oak Loadout Facility

The removal of all surface facilities, concrete demolition to 18" below final grade, the restoration of the culverted stream emanating from the hills to the east of the facility, the regrading and shaping of the Loadout Facility, and the grading and recontouring of sedimentation ponds. Sediment Pond backfill material will consist of clean fill material which will be tested to ensure that only non acid-toxic materials are used.

White Oak Haul Road

Reclamation of the White Oak Haul Road includes the removal of the asphalted roadway, culverts and concrete channel linings and the restoration (including reshaping and grading) of hillslopes between Eccles Canyon and the White Oak Complex. Reclamation will also include the removal of existing culverts and the restoration of natural drainage channels at 1) the bottom of the haul road at the junction with Eccles canyon and 2) at the "Big Fill".

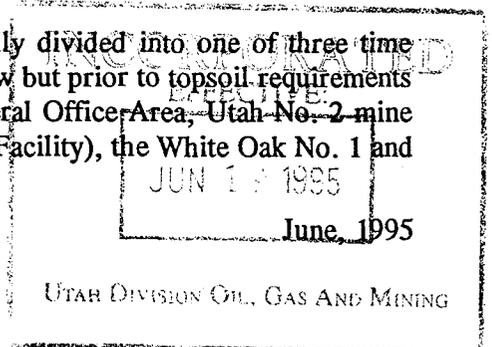
White Oak Complex

The removal of all surface facilities, concrete demolition to 18" below final grade, the restoration of 1) the main channel (culverted) stream entering the fill area west of the facility near the power station and 2) the side channel entering the fill area from the north near the offices and shop facilities. In addition, reclamation will include the removal of the fill pad, regrading and shaping of all disturbed areas, and the grading and recontouring of Sedimentation Pond No. 004A. Sediment pond backfill material will consist of clean fill material which will be tested to ensure that only non acid-toxic materials are used.

Reclamation design details provided as part of this submittal indicate mine disturbance boundaries which will be honored during the reclamation phase of the mining operation.

HISTORICAL OVERVIEW

Surface facilities located within the Permit Area are generally divided into one of three time periods, those facilities constructed pre-law, those constructed post law but prior to topsoil requirements and those constructed post-law with topsoil requirements. The General Office Area, Utah No. 2 mine site and VALCAM Loadout Facility (now referred to as the Loadout Facility), the White Oak No. 1 and



- Wildlife habitat will be enhanced through restoration of habitat features and selection of reclamation materials that will improve the quality and or quantity of forage and or cover. Ledges, boulders, logs and game trails will also be utilized.
- All riparian habitat disturbed by the Operator will be reclaimed.
- Straw bales and/or other appropriate sediment control devices will be utilized at the downstream end of all construction zones at the Loadout Facility and White Oak Complex to control stream influents.
- A bermed staging area for refueling and self contained servicing of equipment will be established by the contractor with a minimum buffer zone of 100 feet from any stream or water source.

Land Agreements

Prior to final reclamation, White Oak, the land owner and other appropriate regulatory agencies will have reviewed the disturbed areas and Reclamation Plan. Final Reclamation Plans will thus meet the needs and desires of current surface owners as well as meet the requirements of the regulations. Information related to current agreements obtained from land owners or surface managers is available at the offices of White Oak Mining & Construction Co., Inc..

Temporary Cessation of Reclamation

The Division will be notified by registered letter should it become evident that a temporary cessation of reclamation operations will extend for a period of 30 days or more occur as required under 15.320. The notification letter will contain the following required information.

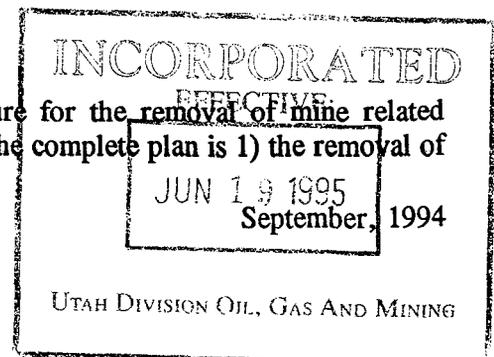
- Exact number of surface acres and the horizontal and vertical extent of subsurface strata which have been in the Permit Area prior to cessation,
- Extent and kind of reclamation of surface area which will have been accomplished, and identification of the backfilling, regrading, revegetation, environmental monitoring, portal closures and water treatment activities taking place during temporary cessation.

Topsoil Storage

The Topsoil stockpile (located south of the main substation S44) is closely surrounded by dense forest exhibiting a medium amount of deadfall and heavy ground cover. This provides excellent protection against wind erosion as well as rapid snowmelt in the spring. The storage area has been bermed to prevent access by motor vehicles, as well as to prevent erosion of the material from the storage area. Straw bales are also used along the down gradient end (north end) of the storage area to assist in containment, should a slope failure of the stockpile occur. Topsoils and Substitute topsoils removed from disturbed areas during the later mining operation time period are stored in this area for reclamation use.

RECLAMATION DETAILS

Overall Reclamation Plans include an organized procedure for the removal of mine related facilities and the restoration of the environment. Included within the complete plan is 1) the removal of



4. All aspects of reclamation will be monitored according to the schedule previously discussed.
5. Road must remain during first year of reclamation to facilitate the removal of all surface facility and or the delivery of equipment and supplies required for reclamation.
6. Recontouring efforts will begin at the lower end of the White Oak Haul Road and proceed upgradient to allow for the importation of rock and fill material from the excavation of the White Oak Complex.
7. The construction of runoff control channels will proceed as reclamation of the road progresses upgradient.
8. Because of limited access once reclamation has been completed, the White Oak Haul Road will be revegetated in segments. Revegetation will follow localized resurfacing efforts.
9. Scalped or scraped White Oak Complex materials may require stockpiling for later use. Storage location options include the upper and/or lower pad areas. The potential VSM harvested during construction of the Whisky Creek Channel will be placed upon adjacent newly configured slopes or along the Haul Road.
10. Final regrading, recontouring and revegetation of access roadways may be delayed upon the completion of all other reclamation activities in order to provide continued access to the property should maintenance be required prior to bond release.

White Oak Loadout Facility

Surface reclamation of the Loadout Facility all occur with relative ease due to the general nature of the facility and property access. Reclamation activities will begin with the removal and salvage of all surface facilities located on the site with the exception of two railroad lines not associated with the Loadout Facility, an access roadway to the railroad and concrete foundations buried 18" below final grade. During year 1 it is planned that all surface facility will be removed with the exception of those facility discussed. Sediment Ponds 001A, 002A and 003A will be removed during the final phases of recontouring whereafter alternative sediment control measures will be implemented according to best technology currently available at the time of reclamation. The sediment ponds will be removed as part of the recontouring effort since 1) the ponds are too high to receive reclaimed area surface runoff water, 2) natural runoff characteristics (including premining railroad culvert locations) will not allow for concentration of flows to existing sediment pond locations, and 3) if left, a significant area would require redisturbance upon final pond reclamation thereby destroying several years of vegetative growth.

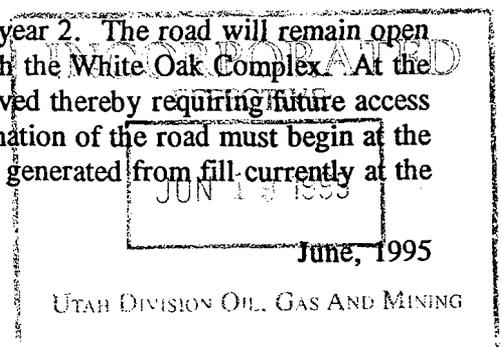
As indicated as a footnote to Table R-3 there is a possibility that the Loadout Facility will be required as a holding or storage area for reclamation materials including such items as machinery or channel riprap. If requested by the reclamation contractor, restoration of the surface of the Loadout Facility area will be postponed until it is no longer needed. Surface drainage facility capable of diverting runoff waters away from disturbed areas as well as those required to capture and treat disturbed area waters will be maintained throughout this period. Recontouring of the Loadout Facility will be begin as soon as it is no longer needed for reclamation activities or storage.

General Office Area

No reclamation is planned for the General Office Area consistent with its planned post mining land use.

White Oak Haul Road

Reclamation of the White Oak Haul Road will begin during year 2. The road will remain open during year 1 to allow the removal of surface facility associated with the White Oak Complex. At the beginning of year 2 or 3, the culvert in Eccles Canyon will be removed thereby requiring future access to the White Oak Complex area via Boardinghouse Canyon. Reclamation of the road must begin at the bottom and work to the top because fill materials being used will be generated from fill currently at the



developed for each category is included within Table R-4. Methods used to determine costs are identified along with calculation details in Appendix R3.

**TABLE R-4.
RECLAMATION COST SUMMARY**

ITEM	COST
DIRECT COSTS	
Building Demolition	
- White Oak Loadout "A"	\$92,813.00
- White Oak Loudout "B"	\$104,569.00
- White Oak Mine "A"	\$190,693.00
- White Oak Mine "B"	\$94,999.00
Subtotal:	\$483,073.00
Facility Removal	
- Demolition	\$85,468.00
- Removal	\$187,919.00
Subtotal:	\$273,387.00
Earthwork Costs	\$1,050,232.00
Subtotal:	\$1,050,232.00
Revegetation	
- Vegetation	\$363,102.00
- Riprap	\$137,080.00
Subtotal:	\$500,182.00
Total Direct Costs:	\$2,306,874.00
INDIRECT COSTS	
Maintenance & Monitoring (10%)	\$230,687.00
Contingency (10%)	\$230,687.00
Engineering Redesign (5%)	\$115,344.00
Mobilization & Demobilization (2.5%)	\$57,672.00
Contract Management (5%)	\$115,344.00
Total Indirect Costs:	\$749,734.00
TOTAL RECLAMATION COST:	\$3,056,608.00
Inflation @ 2.68% for 4 years	\$341,078.00
Bond Amount in 1999 Dollars	\$3,398,000.00

INCORPORATED
EFFECTIVE:

JUN 19 1995
June, 1995

UTAH DIVISION OIL, GAS AND MINING