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*Lodestar Energy, Inc.
Mountain Operations
White Oak, Horizon, and Grand Valley Mines
HC35 Box 370
Helper, Utah 84526*

February 23, 2001

Mr. Daron Haddock
Utah Coal Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

FAX PFO

incoming

SUBJECT: Minor Coal Exploration - C/007/001-EX00E White Oak Mines
Addressing Outstanding Deficiencies

Dear Mr. Haddock:

Lodestar Energy, Inc. is requesting some additional time to respond to the deficiencies on this exploration permit. We are still pursuing the necessary information to answer the deficiencies.

Lodestar is having Mencon complete the section requirements on the reclamation cost estimates for the drill sites and any road construction. This should be ready shortly for submittal.

The locations of the two holes that appeared to be on the Union Pacific Railroad right-of-way are not within the UP right-of-way. We had to obtain a map from the railroad to confirm this issue. The two holes fall on the Radakovich property. We will be work with Mr. Radakovich to obtain an agreement for access and drilling of these two holes. His wife has recently passed, so we will be contacting him in the next few weeks.

Lodestar is hoping to have this review completed and approved by mid-April. If there are any questions, please feel free to call me at (435)448-9454 or 9455.

Sincerely,

David B. Miller
Business Manager

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