

May 12, 2004

William T. Gorton, III, Esq.
Stites and Harbison
250 West Main Street, Suite 2300
Lexington, Kentucky 40507

Re: Potential Bid Sheet for the White Oak Mine, C/007/0001, Outgoing File

Dear Mr. Gorton:

Enclosed are potential bid sheets for the White Oak mine. These have been prepared for the purpose of getting some definite numbers for the entire site, including the loadout, to be completely reclaimed. This does however, exclude the haul/access road. Post Mining Land Use change agreements have been sent to the three landowners involved with the road.

The scope of the remaining work at the White Oak Mine, is to completely backfill and eliminate all the highwalls by grading the fill which is currently on top of the original stream grade up to meet the edge of the highwalls. Much of the topsoiling, pocking and revegetation are already specified in the Leducor contract. Additional work is required in this area as reflected on the bid sheets. At the loadout, some structures remain and these require demolition and burial as do the ponds. The remaining site, minus the access road, requires recountouring and revegetating with a 'new' mix of species.

Please let me know if you need additional information to secure bid costs from Leducor. Thank you.

Sincerely,

Mary Ann Wright
Associate Director, Mining

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