

CASTLE GATE HOLDING COMPANY

Castle Gate Mine
P.O. Box 30
847 NW HWY 191
Helper, Utah 84526
(435)472-4737
Fax: (435)472-4782

April 20, 2005

RECEIVED

APR 25 2005

DIV. OF OIL, GAS & MINING

Ms. Pamela Grubaugh-Littig
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Joan
C/007/0004
Copy PSM?
Wayne Watson

Re: Phase I Bond Release Application, Hardscrabble Substation Area, Castle Gate Holding Company, Castle Gate Mine, C/007/004, Task ID #2037

Dear Ms. Grubaugh-Littig:

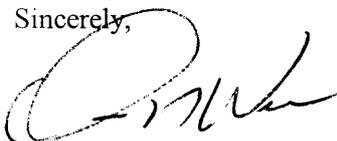
Permittee has also included the notarized certification statement indicating that the applicable reclamation activities have been accomplished for the Hardscrabble Substation as requested by the Division at the March 31, 2005 meeting with the Permittee.

The Permittee hereby confirms to the Division that the letters to agencies and land owners that were a part of the Permittee's original submittal requesting phase I bond release dated September 21, 2004 were in fact mailed to the agencies and landowners in September of 2004.

Further, the Public Notice for the Hardscrabble substation phase I bond release application which was verbally approved by the Division on March 31, 2005 has been submitted for publication. The publication dates are April 7, 14, 21 and 28, 2005.

If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,



Dennis Ware
Controller and Administrative Manager

Enclosures

Castle Gate Holding Company
Castle Gate Mine
C/007/004

Phase I Bond Release on .72 acres of disturbed lands associated with the substation located
in Hardscrabble Canyon

I hereby certify to the best of my information and belief that all applicable reclamation activities
have been accomplished in accordance with the requirements of the Act, the regulatory program,
and the approved reclamation plan.

Dennis M Ware
Print Name

[Signature] Controller & Admin. Mgr.
Sign Name, Position, Date
04-18-05
19

Subscribed and sworn to before me this 19th day of April, 2005

[Signature]
Notary Public



My Commission Expires: 6-4, 2005

Attest: State of Utah } ss:
County of Emery