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AMERICAN

RECLAMATION & DISMANTLING

P.O. BOX 5848

STATELINE, NEVADA 89449

(702) 588-1455

Mr. Jim Carter
D.O.G.M.
FAX: 801-359-3940

Jim
You can reach
Bob at (702)
388-9601 today
and tomorrow;
this is his home #
07/07

September 13, 1994

Dear Sir:

After speaking with the head of the creditors' committee, some concerns were raised which resulted in the suggestion of the following revisions to our proposal dated 9-2-94:

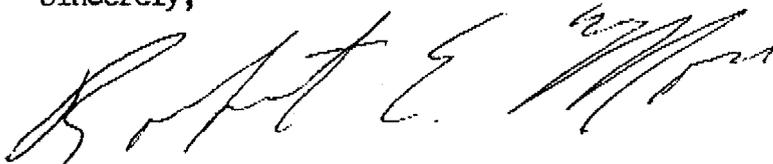
American Reclamation & Dismantling (ARD) would be willing to guarantee completion of all the items on the Total Performance Bond Estimate Table dated 2-7-94 with the following provisions:

- (1) ARD will post a performance bond for the demolition and reclamation inclusive of all items on the list save for the ten (10) year monitoring responsibility. At the point of completion of this phase ARD would require the release of this bond at which time ARD would post a new bond in the amount of \$146,620.00 to cover the ten (10) year monitoring responsibility. At the end of the ten (10) year period ARD would require the release of this bond.
- (2) ARD would be granted the right to schedule an auction of the equipment. With the addition of these new responsibilities ARD would require the guarantee of \$1.2 million dollars in proceeds from the auction. Should the auction proceeds fall short of this amount, ARD would claim the balance due from the proceeds of the sale of the real estate. Should the auction proceeds exceed this amount, the balance could be dispersed to creditors at the discretion of Sunnyside coal and the D.O.G.M. All salvage value of steel structures would remain the sole property of ARD.

Please contact me so that we may discuss the feasibility of these suggestions and any further changes you feel may benefit those involved. Please be assured once again that American Reclamation & Dismantling is committed to designing a plan to the satisfaction of all interested parties and seeing it to its completion.

Thank you for your time.

Sincerely,



Robert E. Mori
President

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RECLAMATION & DISMANTLING

P.O. BOX 5648

STATELINE, NEVADA 89449

(702) 588-1488

FAX TRANSMISSIONDATE: 9-2-94TO: Mr. Jim Carter / D. O. G. M.FAX #: 801-359-3940SUBJECT: Sunnyside Coal Proposal per our conversation 9-1-94FROM: Robert Mori / ARDNUMBER OF PAGES INCLUDING COVER SHEET: 3

IF TOTAL # OF PAGES NOT RECEIVED CALL (602)565-2595 FOR RESTART

RETURN FAX #: (602)565-9239

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P.O. BOX 5648

STATELINE, NEVADA 89449

(702) 586-1455

Mr. Bob Burnham
Sunnyside Coal Co.
1113 Spruce Street
Boulder, CO 80302

September 2, 1994

Dear Bob:

Pursuant to my meeting with the D.O.G.M. Thursday, September 1, 1994, following please find an ammended proposal for the demolition/reclamation work to be performed at the Sunnyside Mine.

American Reclamation & Dismantling (ARD) will accomplish the following items per requirement of the D.O.G.M.:

- Mine sealing
- Removal of contaminated soil
- Portal closure & fill
- Pond reclamation
- Dismantling & removing facilities: inclusive of the pulverization of foundations and distribution of material on the property for fill or the removal of such as required from the property
- Culvert removal
- Plug drill holes

Upon the completion of these items per D.O.G.M. standards, D.O.G.M. has agreed that the total reclamation will be 80% complete. It has been suggested by D.O.G.M. that at the point of completion of the work performed by ARD, 80% of the value of remaining assets will be released to Sunmyside for sale.

In order to accomplish the stated work, ARD will post the required bond in the amount determined by D.O.G.M. with these conditions:

- (1) The proceeds from the sale currently before the court in the amount of \$204,000.00 will be directed to ARD minus an amount to be negotiated between Sunnyside Coal and Robert Mori for the final payment to staff and some miscellaneous operating expenses.
- (2) All proceeds from equipment sales and salvage of steel will be directed to ARD as sole recipient.

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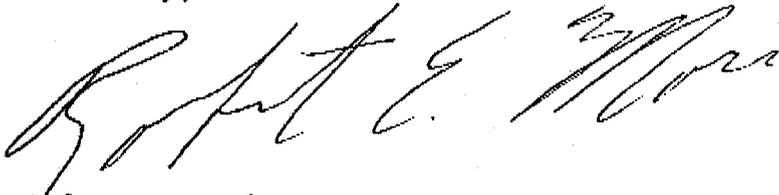
(702) 888-1455

Sunnyside Mine
Proposal: Page 2

ARD feels the stated work can be completed in less than six (6) months with an allowance for weather or other unforeseen complications. As winter weather is rapidly approaching, time is of the essence in completing negotiations so that work may proceed as quickly as possible and be completed in a timely fashion.

This proposal will stand as the amended proposal for demolition/reclamation of the Sunnyside Mine, rendering all previous proposals and amendments null and void. Please contact me at your earliest convenience to discuss this amendment.

Sincerely,



Robert E. Mori
President

REM/dra

cc: Mr. Jim Carter, D.O.G.M.