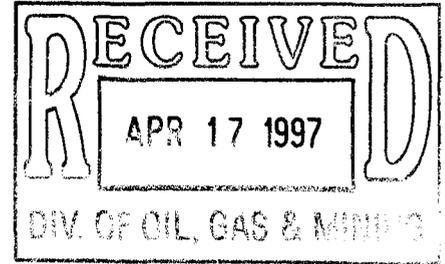


# EARTHCO

Reclaiming the Earth's Resources



April 14, 1997

State of Utah  
 Department of Natural Resources  
 Division of Oil, Gas and Mining  
 1594 W. North Temple, Suite 1210  
 Salt Lake City, Utah 84114-5801

Attn: Mr. Lowell Braxton

Re: Wellington Coal Washing Facility

Dear Mr. Braxton:

First let me thank you for the meeting with your staff, Mary Ann Wright, Daron Haddock, Sharon Falvey, Paul Baker and yourself. From that meeting we have developed a Mine Reclamation Plan (MRP) that we feel is comprehensive and reflects the issues of your staff while it accommodates the needs of the community and potential users of the individual parcels.

*ACT/007/012 #2  
 Copy Mary Ann, Daron, Sharon  
 - Paul*

With the help of Michelle Lea there has been a great deal of interest generated in this project, from the local community as well as industrial users, from Utah and elsewhere.

We are hopeful that the understanding and enthusiasm will continue as we work with you in developing this exciting project. This project will be a benefit to the community for years to come.

If you or your staff have any questions regarding the MRP or it's implementation, please feel free to call, Mel Coonrod at EIS and/or Steve Traweek at the Wellington Coal Wash Facility site office or myself at (916) 827-2549, again thank you.

Regards,

*James W. Scott by [Signature]*

James W. Scott  
 EarthCo - President

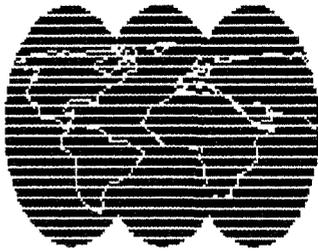
Enclosures  
 JWS/apb

Corporate Offices:

4118 North Meridian Street • Indianapolis, Indiana 46208-4015  
 (800) 641-1403 • (317) 283-4631 - Office • (317) 283-4866 - Fax

Field Offices:

Nevada: P.O. Box 60568 • Reno, Nevada 89506-0457 • (916) 827-2549 • (916) 827-2562 - Fax  
 Utah: 1179 E. Main Street #104 • Price, Utah 85401 • (801) 637-4155 • (801) 637-4266 - Fax



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## Land Use and Potential

The following list is that of interested parties for parcels described in the MRP for the Wellington Coal Wash Facility.

### **PARCEL "A"**

EarthCo has received a written offer from a local Real Estate broker. The buyer would use this parcel for farming and grazing.

### **PARCEL "B"**

This parcel is currently leased to a local rancher. EarthCo has received four inquiries for lease and/or purchase of this parcel from local farmers and ranchers.

### **PARCEL "C AND D"**

EarthCo is currently negotiating for the sale of these parcels. The potential buyer has required EarthCo to execute a non-disclosure agreement prior to negotiations. However, this company is looking to invest substantial amounts into this project and would remain in the community if we are successful in providing them the desired land.

### **PARCEL "E"**

This proposed 9 parcel industrial sub-division has been well received by the local agencies and by industrial users which do not require large amounts of water or direct access to the rail. These parcels would have easy access to the state highway, local utilities, and are of a size to attract many small businesses.

### **PARCEL "F AND F-1"**

EarthCo has entered into an agreement with a substantial local coal processing company. A memorandum of this agreement has been recorded. This is a very positive accomplishment for the user, the community, and our project.

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**PARCEL "G"**

EarthCo is in negotiations with a substantial company from California on this parcel, EarthCo has signed a non-disclosure agreement with this firm until certain financial commitments have been met.

**PARCEL "H"**

This parcel has been studied for it's potential aggregate development. As of this date we are negotiating with three firms who would supply aggregate for building sites within the industrial park as well as help meet local demand. We are not at liberty to disclose those firms at this time. But, expect to finalize negotiations shortly.

**PARCEL "I"**

We have received an inquiry from a firm who requires the available rail spurs at this location. A formal letter of intent is forth coming. However, there use would require the release from the permit area which will be at a future date.

**PARCEL "J"**

*This parcel is the parcel of choice for a national lumber firm. They have to be on site this spring and would utilize the access to rail to load out their product.*

**PARCEL "K"**

EarthCo is currently negotiating with a firm in the recycling business. This parcel with it's facilities would be utilized to unload their products to be recycled. The finished product out would then be shipped out by rail.

**PARCEL "L"**

EarthCo does not have any users for this parcel. However, the buyers for parcels "C" and "D" have expressed an interest in having a first right of refusal on these and other parcels.

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