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November 22, 2006

SALT LAKE CITY, UTAH
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VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED
and
HAND DELIVERY

Director John R. Baza
 Utah Division of Oil, Gas & Mining
 1594 West North Temple
 Salt Lake City, Utah 84114

Denise A. Dragoo
 C/007/0013 gk

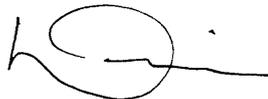
RE: Issuance of Mine Permit, Lila Canyon Mine, C/007/013

Dear Director Baza:

On behalf of UtahAmerican Energy, Inc. ("UEI"), we have been requested to deliver the attached notice of civil action. This notice is required pursuant to Utah Code Ann § 40-10-21(2) to enable UEI to pursue its judicial remedies. As discussed with you and Mr. Stephen Alder yesterday, UEI prefers to have the Division issue findings within the next sixty (60) days without requiring the court to mandate this action.

We appreciate your assistance in this matter.

Very truly yours,



Denise A. Dragoo

DD:jmc:421312

cc: Stephen Alder, Esq. (via U.S. mail)
 Michael McKown, Esq. (via e-mail)
 John Jevicky, Esq. (via e-mail)
 Chairman J. James Peacock (hand delivered)

RECEIVED
 NOV 22 2006
 DIV. OF OIL, GAS & MINING