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March 1, 1994

Mr. Lowell Braxton, Administrator  
Utah Division of Oil, Gas & Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

Dear Mr. Braxton:

It is my understanding that Mountain Coal Company has applied for a partial bond release at the Gordon Creek No. 3/6 Mines, and as part of the requirements for such release, a commitment must be made for sound, future maintenance of the permanent ponds on site. Mountain Coal Company will continue to maintain the ponds until final bond release. After that time, I will maintain the ponds for their intended purpose to provide water for my livestock operations.

Sincerely,

Com K. Jacob