

Hidden Splendor Resources
Horizon Mine
3266 South 125 West, Price, Utah 84501
Phone: (435) 636-0820 – Fax: (435) 636-0817

January 15, 2008

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

Re: Permit Amendment – Paved Areas

Dear Pam:

Hidden Splendor Resources, Inc., Horizon Mine, respectfully submits an amendment to the currently approved Mining and Reclamation Plan.

The amendment contains Forms C-1 and C-2, Replacement Page 3-6, Replacement Plate 3-1 (Surface Facilities Map) and Replacement Plate 3-4 (Access/Haulage Road Design).

As was discussed earlier, the Consumers Road was paved from the Wildcat Loadout to the Horizon Mine site. This project was made possible by the Carbon County Special Service and Transportation District securing funding from the Community Impact Board, with additional support from the Carbon County Commission. Nielsen Construction was awarded the contract for this project.

As the project was nearing completion, Hidden Splendor Resources, Inc. (HSR), contracted with Nielsen Construction to apply blacktop to the approach and parking areas at the Horizon Mine. These areas are shown with the red outline on the enclosed map, "Plate 3-1, Surface Facilities". The applied material equates to approximately 258 cubic yards of blacktop.

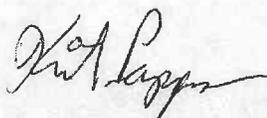
HSR believes that this will improve sediment and runoff control at the mine site and will not have any effect on Hydrology issues at the site in that the controls currently in place are sufficient. The existing ditches are of sufficient size and design to handle any increase in runoff that might occur. It should also be noted that the soil was already compacted prior to the paving as shown on Plate 3-4.

Additionally, HSR believes that the current Reclamation Bond is sufficient to cover the reclamation of this material since no additional equipment or resources would be required for removal that would not already be onsite, and disposal would be concurrent with other materials being disposed of as indicated in the bond calculations. Additional disposal costs, if any, would be very minimal.

As you are also aware, Hidden Splendor Resources, Inc., filed for Chapter 11 Bankruptcy protection on October 15, 2007. Because the road project was nearing completion, HSR felt that we had a very narrow window to make these improvements, in that, the equipment was already mobilized, resulting in a greatly reduced cost to have this done now, rather than at a later date, which would have at least tripled the cost. On a positive note, Hidden Splendor Resources, Inc. expects to emerge from the Chapter 11 Bankruptcy sometime in February or March of 2008.

Please feel free to contact me at 435-636-0820 if you have any questions or comments.

Sincerely,



Kit Pappas
 Manager of Engineering and Environmental Services

Encl:

Incoming
C/007/0020
#2900 *OK*

RECEIVED

JAN 15 2008

DIV. OF OIL, GAS & MINING

File in: C/007/0020 2008, Incoming

Refer to:

- Confidential
 Shelf
 Expandable

Date: 1/15/2008 For additional information

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer

Permittee: HIDDEN SPLENDOR RESOURCES, INC.

Mine: HORIZON MINE

Permit Number: C/007/020

Title: PAVED AREAS

Description, Include reason for application and timing required to implement:

PAVING OF ACCESS ROAD AND PARKING AREAS

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- Yes No 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ increase decrease.
- Yes No 2. Is the application submitted as a result of a Division Order? DO# _____
- Yes No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- Yes No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes No 6. Does the application require or include public notice publication?
- Yes No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes No 9. Is the application submitted as a result of a Violation? NOV # _____
- Yes No 10. Is the application submitted as a result of other laws or regulations or policies?
Explain: _____
- Yes No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes No 13. Does the application require or include collection and reporting of any baseline information?
- Yes No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes No 15. Does the application require or include soil removal, storage or placement?
- Yes No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes No 19. Does the application require or include certified designs, maps or calculation?
- Yes No 20. Does the application require or include subsidence control or monitoring?
- Yes No 21. Have reclamation costs for bonding been provided?
- Yes No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes No 23. Does the application affect permits issued by other agencies or permits issued to other entities?

Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

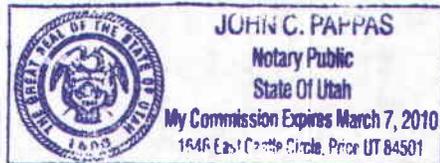
DAN BAKER
Print Name

D. R. Baker Vice President 1-18-08
Sign Name, Position, Date

Subscribed and sworn to before me this 15 day of JANUARY, 2008

John C. Pappas
Notary Public

My commission Expires: MARCH 7, 2010
Attest: State of UTAH } ss:
County of CARBON



For Office Use Only:

Assigned Tracking Number:

Received by Oil, Gas & Mining

RECEIVED

JAN 15 2008

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