

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

C007020 Incoming  
CC: Karl  
April R

December 18, 2012

Mr. Daron Haddock  
Utah Coal Program  
Utah Division of Oil, Gas and Mining  
1594 West North Temple – Suite 1210  
Box 145801  
Salt Lake City, UT 84114-5801

**RECEIVED**  
**DEC 20 2012**  
**DIV. OF OIL, GAS & MINING**

Re: C/007/0020 Horizon Mine  
Idle Status

Dear Mr. Haddock:

As I'm sure you are aware, Hidden Splendor Resources, Inc. , Horizon Mine, has been in an idle production status for the past several months. Although no coal is being mined at this time due to an MSHA order pertaining to seal replacement, there are still employees at the mine to conduct pumping and examinations, maintain operation of the fan and ensure that the mine is being ventilated, and also, constructing ventilation controls that are required to abate the MSHA order and resume mining. We have no intention of ceasing mining or abandoning the operation.

We do not feel that this qualifies as a temporary cessation as per R645.301.515.320 since work is still continuing in and at the minesite, water and environmental monitoring are continuing as normal and we have every intention in resuming coal mining operations as soon as the MSHA order can be abated.

If you have any questions or comments, please feel free to contact me at 435-636-0820.

Sincerely,



Kit Pappas  
Manager of Environmental and Engineering Services