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November 17, 1988

WILLIAM B. PRINCE

HAND DELIVERED

Mr. Lowell P. Braxton
Administrator
Mineral Resource Development
and Reclamation Program
State of Utah Natural Resources,
Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180

RECEIVED
NOV 17 1988

DIVISION OF
OIL, GAS & MINING

Re: North American Equities - Blazon #1 Mine;
ACT/007/021

Dear Mr. Braxton:

Pursuant to UMC 800.40, North American Equities (NAE) hereby formally submits an application for partial release of its reclamation performance bond posted in conjunction with the referenced underground coal mining permit. In support of its request, NAE represents that it has completed Phase I, completion of backfilling and regrading and drainage control of the bonded areas, in accordance with the approved reclamation plan.

As required by the applicable regulations, NAE is prepared to provide notice to the following adjoining property owners, applicable local governmental bodies, planning agencies, sewage and water treatment authorities and water companies notifying them of its intention to seek release from the bond:

- Kanawha & Hocking Coal and Coke
- Jack Otani
- Margie C. Jacob and Paul E. Jacob,
- Trustees of The Milton E. Jacob Family Trust
- Calvin Jacob
- Pleasant Grove Utah Stake
- Pleasant Grove Utah East Stake

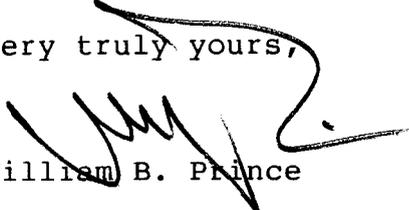
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Paul J. Barton, Trustee or his Successors-in-Trust
as Trustees of The Paul J. Barton Family Trust
Agreement
Margie & Calvin Jacob
Calvin K. Jacob, Trustee of
The Calvin K. Jacob Family Trust
Rescue-Med, Inc.
Milton A. Oman, Trustee of The Milton A. Oman
Family Trust
Utah Power & Light Co.
J. Mark and James C. Jacob
Price River Water Users
Price River Distribution System
Price Water Improvement District
Carbon County Commission
Carbon County Planning & Zoning Commission
Price City Council
Scofield City Council
Clear Creek City Council
Clear Creek Utilities

NAE is also preparing an advertisement that will run
once a week for four successive weeks in the Sun Advocate
notifying the public of NAE's application for release of bond.

Absent your instruction to the contrary, NAE will
proceed immediately to give notice to the required third par-
ties and to commence the newspaper advertisement. Your prompt
attention to this matter will be greatly appreciated. If you
have any questions, please let me know.

Very truly yours,


William B. Prince

tb
Enclosures

cc: Alan W. Smith
Richard White