

PS Form 3811, Dec. 1989

● **SENDER:** Complete items 1, 2, 3, and 4.
 -Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
 Show to whom and date delivered
 Show to whom, date, and address of delivery

2. **RESTRICTED DELIVERY**
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL \$

3. **ARTICLE ADDRESSED TO:**
 MR. ALLAN W. SMITH, NO AMER. EQUITIES
 3160 Crow Canyon Rd, Suite 210
 San Ramon, Ca. 94583

4. **TYPE OF SERVICE:** **ARTICLE NUMBER**
 REGISTERED INSURED
 CERTIFIED COD P 879 596 365
 EXPRESS MAIL

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE Addressee Authorized agent

5. **DATE OF DELIVERY** **POSTMARK**
 6-13-88

6. **ADDRESSEE'S ADDRESS** *(Only if requested)*

7. **UNABLE TO DELIVER BECAUSE:** **7a. EMPLOYEE'S INITIALS**

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

Postmark or Date	SALT LAKE CITY, UTAH NO. 8 8861	
TOTAL Postage and Fees	\$	
Return Receipt showing to whom, Date, and Address of Delivery		
Return Receipt showing to whom and Date Delivered		
Restricted Delivery Fee		
Special Delivery Fee		
Certified Fee		
Postage	\$	
P.O. State and ZIP Code	San Ramon, Ca. 94583	
Street and No.	3160 Crow Canyon Rd., Suite 210	
Sent to	Mr. ALLAN W. SMITH	

OIL, GAS & MINING as

RECEIPT FOR CERTIFIED MAIL
 NOT FOR INTERNATIONAL MAIL
 NO INSURANCE COVERAGE PROVIDED
 (See Reverse)
 P 879 596 365

S Form 3800, June 1985

RETURN TO

←

UNITED STATES POSTAL SERVICE
 OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below:
 • Complete items 1, 2, 3, and 4 on the reverse.
 • Attach to front of article if space permits (955)
 • Otherwise affix to back of article.
 • Endorse article "Return Receipt Requested" adjacent to number.

STATE OF UTAH
NATURAL RESOURCES
OIL, GAS & MINING
 3 TRIAD CENTER BLDG 350
 SALT LAKE CITY, UTAH 84180-1203

(City, State, and ZIP Code)

U.S. MAIL
 PENALTY FOR PRIVATE USE TO A NON-POSTMAN OF POSTAGE \$300

- STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE, CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**
- If you want this receipt postmarked, stick the gummed stub to the right of the return address leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
 - If you do not want this receipt postmarked, stick the gummed stub to the right of the return address of the article, date, detach and retain the receipt, and mail the article.
 - If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
 - If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
 - Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
 - Save this receipt and present it if you make inquiry.

U.S.G.P.O. 1987-197-722



355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

June 9, 1988

CERTIFIED RETURN RECEIPT REQUESTED
P 879 596 365

Mr. Allan W. Smith
North American Equities, N.V.
Snow Mountain Development
3160 Crow Canyon Road, Suite 210
San Ramon, CA 94583

Dear Mr. Smith:

RE: Blazon Mine Reclamation, North American Equities, Blazon #1 Mine,
ACT/007/021, Folders #2 and #3, Carbon County, Utah

In accordance with the approved Reclamation Plan for the Blazon #1 Mine, NAE needs to complete the design for the reconstruction of Little Snyder Drainage. This requirement is based on the Stipulations to the approved permit, as follows:

" Stipulations 817.44 - (1-2) - RS

1. The permittee shall submit complete and adequate designs for a stable channel through the mine waste developments area within 15 days of notification by the regulatory authority regarding need for said designs. Division notification will be based upon an onsite inspection of the conditions existing at the channel following removal of the waste material. The designs must be approved and implemented within 30 days of said notification.
2. The permittee must submit complete and adequate plans for an energy dissipater and culvert headwall for dissipation of the flow from the restored channel to culverts D and D' within 7 days of commencement of excavation for the installation of culvert D' and no longer than 20 days following the completion of removal of the mine development waste pile phase of the reclamation process. The designs must be approved and implemented at the site within 30 days following commencement of the excavation for culvert D'."

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Mr. Allan W. Smith

ACT/007/021

June 7, 1988

On February 16, 1988, the Division received conceptual plans for the reclamation design of Little Snyder Canyon drainage from Blackhawk Engineering Company. Due to snow and winter conditions, a site survey and final design specifications for the drainage have not been presented to the Division for approval.

On June 7, 1988, representatives from the Division did visit the site and determined that these adverse winter conditions no longer exist and that NAE must proceed with the drainage design. Mr. Mel Coonrad indicated on site that Blackhawk Engineering was no longer interested in completion of the design and that another consultant would have to be selected by NAE in order to complete the design work.

Regardless of the consultant selected to complete the design of the drainage, NAE must resume work on the design and the construction of Little Snyder Drainage. The completion of this area of the site is critical to the resumption of earthwork on the site and the completion of the reclamation activities.

In accordance with the requirements of the above stipulations and the approved permit, NAE is required to submit to the Division for approval, complete and adequate plans for the Little Snyder drainage area within 15 days from the receipt of this letter.

Pursuant to discussions with Claire O'Neal, please be advised that additional design and engineering work will have to be accomplished on the site prior to and upon completion of the reclamation activity for bond release. This work includes the certification and as-built of the sediment ponds and fill areas of the site in accordance with UMC's 817.46 and 817.49. Certification of the reclamation work in accordance with the plan must also be submitted upon completion of the reclamation along with the certified as-built drawings of the site.

Additionally, field conditions at the site have been found to differ considerably from the specifications and drawings as are currently in the approved plan. Modifications and changes in the actual reclamation work compared to that proposed in the plan must be presented to the Division in writing and must be shown to be in accordance with the performance standards for reclamation prior to implementation.

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Mr. Allan W. Smith

ACT/007/021

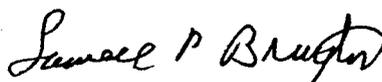
June 9, 1988

NAE is encouraged to retain qualified personnel to accomplish the above requirements as well as to approve any other field modifications which may be required on the site during construction.

Mr. Mel Coonrad has indicated that he is not a representative for NAE outside the limits of his contract except for inspections and water sampling. He has indicated that items such as the drainage design for Little Snyder Canyon and any other modifications that the Division may require are not in the scope or the capacity of his work. The Division must have an authorized representative for NAE on site during constructing who can represent NAE in all aspects of the reclamation work to be accomplished under the approved plan. The Division's technical and inspection staff will be made available to help expedite minor changes to the plan and guide NAE through the final reclamation requirements.

Please notify the Division as soon as possible once you have selected an engineering consultant and designated a representative to be available on site. Time is of the essence and your cooperation in this matter is appreciated. Should you have any further questions regarding these matters please call.

Sincerely



Lowell P. Braxton
Administrator
Mineral Resource Development
and Reclamation Program

JRH/as

Attachment

cc: Clare O'Neal

S. Linner

J. R. Harden

Allan Bachman

1007R:10-12