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R. D. Haddock

March 30, 1989

HAND DELIVERED

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, UT 84180

RECEIVED
MAR 30 1989

DIVISION OF
OIL, GAS & MINING

Re: North American Equities, Blazon #1 Mine;
ACT/007/021, Review of Stipulation Response and
As-Built Report

Dear Lowell:

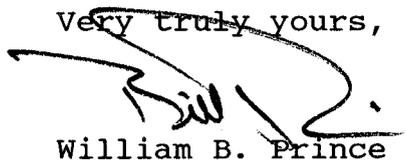
By letter dated March 8, 1989, the Division of Oil, Gas and Mining provided to North American Equities a review of NAE's Reclamation As-Built Report and Stipulation Response. The DOGM requested that NAE provide a response to the DOGM comments by April 10, 1989, to enable the DOGM to complete its review of this matter prior to a change in weather conditions which would allow access to the mine site.

NAE is currently working with its engineers to prepare a response to the DOGM review letter. As we have expressed many times in the past, it is NAE's intention to complete the required reclamation process as quickly as possible to facilitate partial, and eventually complete, release of NAE's reclamation bond. NAE has determined, however, that it will require additional time beyond the April 10, 1989, response date and hereby requests a 30-day extension, to and including May 10, 1989, to allow it to properly respond to the DOGM review letter. Absent a timely response to this request in the negative, NAE will assume that the requested extension is acceptable to the DOGM. }

Lowell P. Braxton
March 30, 1989
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Please contact me with any questions on this matter
or concerns regarding the extension.

Very truly yours,

A handwritten signature in black ink, appearing to read "Bill Prince", is written over the typed name. The signature is stylized and includes a long horizontal stroke extending to the left.

William B. Prince

jcw

cc: Rich White (Earthfax)
Alan W. Smith (NAE)