

0022

cc: ZPB
RLS
Route to: Jwe
File

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CRAIG T. JACOBSEN
BRUCE D. REEMSNYDER
BROCK R. BELNAP
DOUGLAS R. BREWER
CRAIG E. HUGHES

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

TWELFTH FLOOR
215 SOUTH STATE STREET
P.O. BOX 510210
SALT LAKE CITY, UTAH 84151
TELEPHONE (801) 531-8900
FACSIMILE (801) 596-2814

OF COUNSEL
PETER W. BILLINGS, SR.
RALPH H. MILLER

NEVADA OFFICE
KEVIN N. ANDERSON
2835 SOUTH JONES BLVD., SUITE 5
LAS VEGAS, NEVADA 89102
TELEPHONE (702) 367-4545
FACSIMILE (702) 252-5014

VIA FACSIMILE

November 22, 1993

(801) 637-4455

Mr. Jerry Frandsen
SEUTCO
175 East 100 South
Price, Utah 84501

RECEIVED

NOV 25 1993

DIVISION OF
OIL, GAS & MINING

RE: Deed of Trust and Security Agreement dated March 9, 1989 Between Sunnyside Reclamation & Salvage, Inc., and Utah Division of Oil, Gas & Mining ("Trust Deed")

Dear Jerry:

Enclosed is a Request for Partial Reconveyance dated November 19, 1993, from James W. Carter, Director of the Utah Division of Oil, Gas & Mining (the "Division"), which releases the Trust Deed as to Water Right No. 91-231. We are sending the originally executed Request for Partial Reconveyance to you today via Federal Express. In response to the Division's Request for Partial Reconveyance, we ask that you execute a Partial Reconveyance in the form enclosed with this letter. Upon executing the Partial Reconveyance, please fax a copy of the instrument to both the Division, Attention James W. Carter, Director, (801) 359-3940, and to me at Fabian & Clendenin (801) 596-2814. The originally executed Partial Reconveyance should be sent via Federal Express to Zions First National Bank, Trust Department, One South Main Street, Salt Lake City, Utah 84111, to the attention of David VanWagoner, CCTS, Second Vice President, Corporate Trust Administrator, telephone (801) 524-2132, facsimile (801) 533-0464.

Zions Bank is serving as the Escrow Agent in connection with the closing of an Agreement to sell Sunnyside Coal Corporation's interest in Water Right No. 91-231 to Sunnyside Cogeneration Associates. In the event that the Escrow Agreement is terminated without disbursement of funds, Zions has been instructed to return the Deed of Reconveyance to you as trustee under the Trust Deed.

Jerry Frandsen
November 22, 1993
Page 2

Thank you for your assistance in this matter.

Very truly yours,



Denise A. Dragoo

DAD:jmc:24176

Enclosures

cc: ✓ James W. Carter, Director, Utah Division of Oil, Gas & Mining
Robert M. Burnham, President, Sunnyside Coal Company
Brian W. Burnett, Esq., Counsel for Sunnyside Cogeneration Associates
David VanWagoner, CCTS, Escrow Agent

REQUEST FOR PARTIAL RECONVEYANCE

TO: South Eastern Utah Title Company, Trustee
175 East 100 South
Price, Utah 84501

The undersigned Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah, 355 West North Temple, 3 Triad, Suite 350, Salt Lake City, Utah is the legal owner and holder of the reclamation obligation in the original sum of \$3,583,830.00, and of all other indebtedness secured by the Deed of Trust and Security Agreement, dated March 9, 1989, made by Sunnyside Reclamation & Salvage, Inc., a Colorado corporation, Trustor, to South Eastern Utah Title Company, Trustee, and recorded March 10, 1989, in Book 287, at Pages 96-155, in the office of the Recorder of Carbon County, Utah.

In accordance with the terms of said Deed of Trust, you are requested to reconvey, without warranty, to the person or persons legally entitled thereto, the estate now held by you under such trust deed in and to that portion of the property described in said trust deed, situated in Carbon County, Utah, described as follows:

Water Users Claim No. 91-231, on file in the office of the Utah State Engineer, as referenced at Exhibit A, Page 20, of the Deed of Trust

Dated: Nov 19, 1993

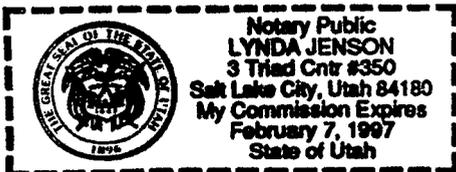
STATE OF UTAH, DEPARTMENT OF
NATURAL RESOURCES, DIVISION OF
OIL, GAS AND MINING

By: [Signature]
James W. Carter
Director

STATE OF UTAH)
:ss.
COUNTY OF SALT LAKE)

On the 19th day of November, 1993, personally appeared before me James W. Carter, the signer of the foregoing instrument, who acknowledged to me that he executed the same.

[Signature]
Notary Public



WHEN RECORDED, MAIL TO:

PARTIAL RECONVEYANCE

South Eastern Utah Title Company, a Utah corporation, is duly appointed Trustee under the Deed of Trust hereinafter referred to, having received from Beneficiary, hereunder a written request to reconvey, in accordance with the terms of said Deed of Trust, all estate now held by said Trustee under said Deed of Trust in and to the hereinafter described property, said Beneficiary having presented said Deed of Trust and note or notes secured thereby for endorsement, said Deed of Trust having been executed by Sunnyside Reclamation & Salvage, Inc., Trustor, and recorded in the Official Records of Carbon County, Utah as follows: Dated: March 10, '989, as Entry No. 023282, in Book 287, Pages 96-155;

NOW, THEREFORE, in accordance with said request and the provisions of said Deed of Trust, South Eastern Utah Title Company, as Trustee, does hereby RECONVEY, without warranty, the THE PERSON OR PERSONS LEGALLY ENTITLED THERETO, all estate now held by it hereunder in and to the property situated in said county, state of Utah, described as follows:

Water Users Claim No. 91-231

The remaining property described in said Deed of Trust shall continue to be held by said Trustee under the terms thereof. As provided in said Deed of Trust, this Partial Reconveyance is made without affecting personal liability of any person for payment of the indebtedness secured by said Deed of Trust.

IN WITNESS WHEREOF, South Eastern Utah Title Company, as Trustee, has caused its corporate name and seal to be affixed this ____ day of _____, 1993.

SOUTH EASTERN UTAH TITLE COMPANY,
as Trustee

By: _____

STATE OF UTAH)
 :SS.
COUNTY OF CARBON)

On the ___ day of _____, 1993, personally appeared before me _____ and who by me duly sworn did say, each for himself, that he the said _____ is the _____ president, and he, the said _____, is the secretary of _____, the corporation that executed the foregoing instrument as such Trustee by authority of a resolution of its board of directors and said _____ and _____ each duly acknowledged to me that said corporation executed the same as such Trustee and that the seal affixed is the seal of said corporation.

Notary Public
Residing at: _____

My Commission Expires:
