

STATE OF UTAH  
OFFICE OF THE ATTORNEY GENERAL



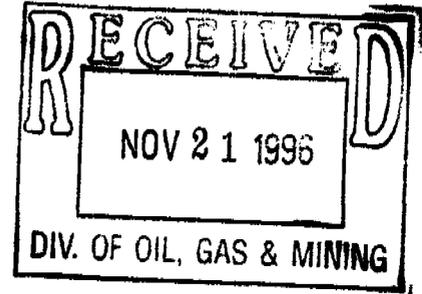
JAN GRAHAM  
ATTORNEY GENERAL

CAROL CLAWSON  
Solicitor General

REED RICHARDS  
Chief Deputy Attorney General

PALMER DEPAULIS  
Chief of Staff

November 20, 1996



Brian W. Burnett  
CALLISTER NEBEKER & McCULLOUGH  
Gateway Tower East Suite 900  
10 East South Temple  
Salt Lake City, Utah 84133

*Copy to Jon, Joe, PAM*

Re: DOGM required Bonding for Sunnyside Cogeneration Associates

*ACT/007/035 # 3 & 5  
Fax Bill @ PFO*

Dear Brian,

This letter is written to memorialize the agreement between the Division of Oil Gas and Mining and Sunnyside Cogeneration Associates concerning the amount of bonding that is adequate for the permitted mining at the Sunnyside Cogeneration facility. This matter scheduled for hearing before the Board of Oil Gas and Mining as the appeal of Division Order ACT/007/035-96A and analysis and findings for permit changes made under NOV N93-13-2-1, Sunnyside Refuse/Slurry, Sunnyside Cogeneration Associates, ACT/007/035, Folders #2 & #5, Carbon County, Utah.

We have agreed that the amount of the bond required for the current mining permit term for the Sunnyside Cogeneration mining permit will be increased by a modification in the Division Order to \$1,900,000 which amount is agreed to adequately bond for the reclamation work for the remainder of the permit term. This amount will be posted by Sunnyside as soon as it is reasonable but not more than 30 days after the execution of the modified Division Order. I understand that you expect that it will require about 21 days for you to post the bond. Since this matter will not be fully resolved (with the bond posted) until after the December Board hearing, we will continue the Board hearing and the terms of the stay on the Cessation Order until the following Board meeting or until Sunnyside has posted the bond in compliance with the modified Division Order.

If in your opinion we have over looked anything or if other documentation is necessary to

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fully resolve this dispute please let me know. Thank you again for your willingness to meet and work through the details of the reclamation plan so that we were able to reach an agreement concerning the adequate bonding amount.

Sincerely yours



Steven F. Alder  
Assistant Attorney General

cc: Lowell Braxton  
Mary Ann Wright ✓  
Randy Harden