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RICHARD H. NEBEKER
(1924-1998)

July 31, 2000

TO CALL WRITER DIRECT
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³ ALSO MEMBER ILLINOIS BAR

⁴ ALSO MEMBER COLORADO AND WASHINGTON D.C. BARS

⁵ ALSO MEMBER NEW YORK AND DELAWARE BARS

VIA FACSIMILE

Mark Mesch
Division of Oil Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

Re: Sunnyside Cogeneration Associates - Permit No. ACT/007/035

Dear Mark:

Sunnyside Cogeneration Associates ("SCA") has been requested by the Utah Division of Oil Gas & Mining ("DOGM") to replace Frontier Insurance Company as surety for SCA's reclamation bond with DOGM. SCA is diligently pursuing replacement of the surety and hopes to have a replacement in the near future. Originally, DOGM requested that SCA replace Frontier Insurance Company by July 31, 2000. SCA has not yet finalized the replacement of Frontier Insurance Company as SCA's surety.

You agreed to extend the July 31, 2000 deadline for SCA to replace its surety bond, as long as SCA continues to diligently pursue a replacement. We will continue to update DOGM on SCA's progress towards finding a new surety company.

Mark Mesch
July 31, 2000
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Thank you for your cooperation in this regard. If you have any questions, please feel free to contact me.

Sincerely,

CALLISTER NEBEKER & MCCULLOUGH

A handwritten signature in black ink, appearing to read "Brian W. Burnett", with a large, sweeping flourish extending to the right.

Brian W. Burnett

BWB:ias

cc: Pam Grubaugh-Littig
Jim Willey
Bruce Davis
Rob McLeese
Kendall Reed
Randy Scott

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