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State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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November 16, 2001

CERTIFIED MAIL  
7099 3400 0016 8895 9987

Randy Scott, Plant Manager  
Sunnyside Cogeneration Associates  
P.O. Box 10  
East Carbon, Utah 84520

Re: Bond Replacement Required, Sunnyside Cogeneration Associates, Sunnyside Refuse/Slurry, C/007/035, Outgoing File

Dear Mr. Scott:

Sunnyside Cogeneration Associates must maintain surety for the Sunnyside Refuse /Slurry permit as required by the provisions of UCA 40-8-14 and rules enacted thereunder. The Supreme Court of the State of New York declared Frontier insolvent on October 15, 2001. In accordance with Utah Regulation R645-301-840.520, Sunnyside Cogeneration Associates must replace the Frontier Insurance Company bond within 60 days of receipt of this letter, but no later than COB January 16, 2002 (Frontier Insurance Company Bond #35790, in the amount of \$1,900,000).

If replacement surety is not posted within 60 days, Sunnyside Refuse/Slurry must cease coal extraction and comply with the provisions of R645-301-541.100 through R645-301-541.400 as applicable and immediately begin to conduct reclamation operations in accordance with the reclamation plan.

If you have any questions, please call me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mary Ann Wright', written over a large, stylized cursive flourish.

Mary Ann Wright  
Associate Director, Mining

vs  
cc: Brian Burnett, Callister, Duncan & Nebeker  
Price Field Office  
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