

**From:** James Owen  
**To:** Jay Marshall  
**CC:** Daron Haddock; Suzanne Steab  
**Date:** 6/8/2012 10:50 AM  
**Subject:** Re: Westridge Mid Term

Jay,

Yes, I have finished looking over unit cost estimates, and during my review I did not see any inconsistencies or red flags. I have also reviewed the summary sheet and the calculations therein. Indirect and Direct estimates match my numbers and escalation is correctly calculated. My calculations indicate that the total reclamation cost increased from \$1,679,576.00 to \$1,795,756.27 (\$116,180 increase). The escalation factor decreased from 3.2 to 1.2, which made the escalation cost decrease from \$286,490 to \$110,362 (\$176,128 decrease) These changes have translated to a \$60,066 decrease in the total reclamation cost, leaving West Ridge with a positive 11.07% difference in bond posted vs. reclamation cost. My calculations agree with yours.

Please submit the bond calculation sheets in hard copy form for formal final review, completion of this portion of the mid-term requirements, and incorporation into the MRP. Thanks.

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>>> "Marshall, Jay" <[jmarshall@coalsource.com](mailto:jmarshall@coalsource.com)> 6/8/2012 8:15 AM >>>  
James:

Have you had a chance to look at the Westridge Midterm bond calculations?

Let me know.

Thanks

Jay

R. Jay Marshall P.E.

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