

Western States Minerals Corp.

250 South Rock Blvd., Suite 130
Reno, Nevada 89502
Ph. (775) 856-3339

June 3, 1999

Ms. Pamela Grubaugh-Littig, Supervisor
Utah Coal Regulatory Program
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT. 84114-5801

**RE: Phase II and III Bond Release - J.B. King reclaimed minesite, ACT/015/002,
Folder #2, Emery County, Utah**

Dear Ms. Grubaugh-Littig:

Please find attached the **Application for Permit Processing** relative to *Western States Minerals Corporation's (WSMC) Request for Phase II and III Bond Release at its J.B. King Reclaimed Minesite* located in Emery County, Utah. Three copies of the justification and supporting documentation are included for your review and approval. In addition to the above documents, I have also included a suggested news release to be published in a local newspaper, a list of names and agencies that WSMC would send letters to for notification of this request for final bond release, and an example of the notification letter that WSMC would propose to send out (note: these notification letters have not been sent).

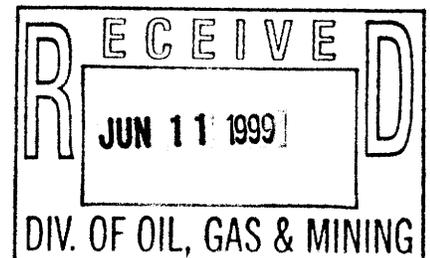
This request is based upon the successful reestablishment of vegetation in accordance with our approved reclamation plan and permit (ACT/015/002, Folder #2). It also meets all other provisions of the before mentioned plan and permit. Therefore, in accordance with the provisions of R645-301-880 of the State of Utah, Coal Mining Rules, revised May 1, 1998, this letter will serve as specific notification that WSMC intends to seek Phase II and III (e.g. final bond release) at its J.B. King reclaimed minesite. The existing bond posted for the site is \$126,078.00.

If additional information is required, please let me know at your earliest convenience.

Sincerely,

E.M. (Buzz) Gerick
Vice President of Operations

Cc: J.B. King file
Al Cerny - WSMC Wheat Ridge Office



APPLICATION FOR PERMIT PROCESSING

Permit Change
 New Permit
 Renewal
 Transfer
 Exploration
 Bond Release

Permit Number: ACT/015/002

Title of Proposal: Phase II and III Bond Release

Mine: J.B. King

Permittee: Western States Minerals Corp.

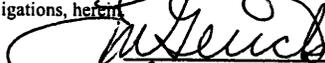
Description, include reason for application and timing required to implement:
Request for Phase II and III Bond Release based

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

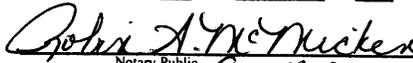
- | | | |
|---|--|--|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease. |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 2. Is the application submitted as a result of a Division Order? DO # _____ |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 4. Does application include operations in hydrologic basins other than as currently approved? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 5. Does application result from cancellation, reduction or increase of insurance or reclamation bond? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 6. Does the application require or include public notice/publication? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 7. Does the application require or include ownership, control, right-of-entry, or compliance information? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 9. Is the application submitted as a result of a Violation? NOV # _____ |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 10. Is the application submitted as a result of other laws or regulations or policies? Explain: _____ |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 11. Does the application affect the surface landowner or change the post mining land use? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?) |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 13. Does the application require or include collection and reporting of any baseline information? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 15. Does application require or include soil removal, storage or placement? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 16. Does the application require or include vegetation monitoring, removal or revegetation activities? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 17. Does the application require or include construction, modification, or removal of surface facilities? |
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | 18. Does the application require or include water monitoring, sediment or drainage control measures? <u>e.g. sediment loss evaluation</u> |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 19. Does the application require or include certified designs, maps, or calculations? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 20. Does the application require or include subsidence control or monitoring? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 21. Have reclamation costs for bonding been provided for? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream? |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | 23. Does the application affect permits issued by other agencies or permits issued to other entities? |

Attach complete copies of the application.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, hereinafter.

 E.M. Gerick, V.P. Operations
 Signed - Name - Position - Date
June 3, 1999

Subscribed and sworn to before me this 3 day of June, 19 99


 Notary Public April 2, 2000
 STATE OF NEVADA
 COUNTY OF Washoe

My Commission Expires: _____
Attest: STATE OF _____
COUNTY OF _____



ROBIN A. MC MICKEN
 Notary Public - State of Nevada
 Appointment Recorded in Washoe County
 No: 91-2670-2 - EXPIRES APRIL 2, 2000

Received by Oil, Gas & Mining

RECEIVED

JUN 11 1999

SIGNED TRADES AND MINING