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Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 14, 2008

Charles Reynolds, Resident Agent
Co-Op Mining Company
P.O. Box 1240
Huntington, Utah 84528

Subject: Bond Amount for the Bear Canyon Mine, Co-Op Mining Company, Bear Canyon Mine, C/015/0025

Dear Mr. Reynolds:

As part of the permit transfer, the new Permittee must post a bond of not less than \$1,825,000.

The current bond amount is \$2,187,000. The Division considers a bond of \$1,825,000 adequate to ensure that the Division could reclaim the site in the event of bond forfeiture because of preliminary modifications to the reclamation cost estimates.

The Division needs you to submit the updated reclamation cost estimate as part of a formal stand-alone submittal by September 12, 2008. If you have questions about the reclamation cost estimate please call Wayne Western at (801) 538-5263.

If you have any questions regarding the bond amount or the permit transfer, please call me at (801) 538-5320.

Sincerely,

A handwritten signature in black ink, appearing to read "Dana Dean".

Dana Dean
Associate Director, Mining

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