



P.O. Box 1077, Price, Utah 84501 794 North "C" Canyon Rd, East Carbon, Utah 84520
Telephone (435) 888-4000 Fax (435) 888-4002

Daron Haddock
Permit Supervisor
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

April 17, 2008

RECEIVED

APR 22 2008

DIV. OF OIL, GAS & MINING

Re: East Mountain Drillpads
Crandall Canyon Mines
C/015/032

Dear Mr. Haddock:

On April 9, 2008 we received an email from the Division requiring a bond in the amount of \$268,196 for reclamation of the East Mountain drillpads used in conjunction with the Crandall Canyon Mine rescue attempts. As you are aware, Genwal Resources, Inc. demonstrated a good-faith effort to reclaim as much of the drillsites as possible last fall, before the snows of winter drove us off the mountain. In light of the good-faith effort we showed then, and our continuing efforts to work with all parties involved in the reclamation, we request that the Division grant us a grace period to finish the earthwork this coming summer before imposing the bonding requirements. Or at a minimum, we request a temporary waiver of the earthwork component of the bonding calculation, which in this case would be the 60% normally reserved for Phase 1 reclamation.

Your consideration of this request is very much appreciated. If you have any questions or comments please contact me at 435 888-4017.

Sincerely,

A handwritten signature in black ink, appearing to read "David Shaver", is written over the typed name.

David Shaver
Resident Agent