



P.O. Box 910, East Carbon, Utah 84520  
Telephone (435) 888-4000 Fax (435) 888-4002

Tom Faddies, Assistant Director, Minerals  
Utah School and Institutional Trust Lands Administration (SITLA)  
675 East 500 South, Suite 500  
Salt Lake City, Utah 84102

September 29, 2009

Pam Brown, Forest Supervisor  
Manti-LaSal National Forest  
599 West Price River Road  
Price, Utah 84501

RE: Reclamation of East Mountain Drillhole Access Roads  
Genwal Resources, Inc., Crandall Canyon Mine

Dear Mr. Faddies and Ms. Brown:

Attached is a copy of a letter from Utah Division of Oil, Gas and Mining, dated August 25, 2009, regarding the access roads to the East Mountain drillsites. The letter states, "you (Genwal Resources) should now proceed with final reclamation of the remaining segments of access roads on the SITLA and USFS managed lands."

Genwal Resources, Inc. acknowledges it's responsibility to reclaim these road segments which were constructed by the company under an emergency attempt to rescue the miners trapped during the August 6, 2007 collapse of the Crandall Canyon Mine. We have committed to this reclamation in the approved DOGM Mining and Reclamation Plan (c/015/032) and the Forest Service Road Special Use Permit (PRI108), and have posted the appropriate reclamation bonds with both agencies.

In light of DOGM's directive to reclaim this road, I hereby request written approval from both SITLA and Forest Service to begin reclamation of your respective segments. It is especially important that we have a consensus agreement from both agencies on this issue so that the reclamation can be done at one time as a single effort, and to avoid the potential for future disputation. We will not be in a position to commence work without the appropriate authorization. Also, due to the lateness of the season and the probability of the rapidly-approaching snow conditions on the mountain, I respectfully request an extension of time until next summer to implement the provisions of the reclamation responsibilities. Please note that during the week of September 21, 2009, construction crews conducted the necessary maintenance

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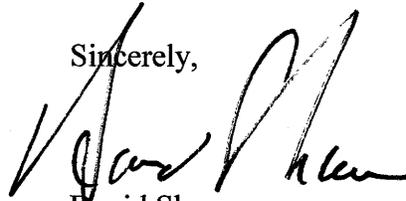
DEPT OF OIL, GAS & MINING

Tom Faddies, SITLA  
Pam Brown, USFS  
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work on the road to stabilize it for the winter. This included cleaning out and/or replacing the sediment control devices (excelsior logs) and reworking the water bars. Therefore, the road is presently in adequate condition to make it through the upcoming winter season.

If you have any questions or comments regarding this request please contact me at 435 888-4017.

Sincerely,

A handwritten signature in black ink, appearing to read "David Shaver". The signature is written in a cursive style with a large initial "D".

David Shaver  
Project Engineer

cc: Daron Haddock, DOGM



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
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

*Crandall*

August 25, 2009

Dave Shaver, Manager  
Genwal Resources, Inc.  
P.O. Box 910  
East Carbon, Utah 84520-0910

Subject: Reclamation of Remaining East Mountain Access Road Segments on SITLA and USFS Managed Lands, Genwal Resources, Inc., Crandall Canyon Mine, C/015/0032

Dear Mr. Shaver:

I have attached the Division's inspection report outlining the results of the recent joint inspection of the reclaimed slopes on East Mountain. The reclaimed drill pads are stable and vegetated. All present during that inspection agreed that there is no further need for heavy equipment access to the reclaimed drill pads. You should note in the inspection report that some remedial hand work is requested at this time. This includes: weed control at pad #4, removal of the French drain and geotextile fabric, and hand reseeding of the slough area 20 ft from the French drain.

In accordance with the information written on pages 10 and 11 of Appendix 5-22 of the Crandall Canyon Mine MRP, you should now proceed with final reclamation of the remaining segments of access road on the SITLA and USFS managed lands.

The Division is aware of discussions being held between the surface managing agencies in an attempt to retain the access road. At the present time we do not foresee a reasonable likelihood of achieving a post-mining land use change that requires retention of both SITLA and USFS road segments during final reclamation. If, however, this is the case, then you must proceed to amend the MRP and provide documentation of the likelihood of success of the post mining land use change. In order for the road to remain unreclaimed, approval of a change in the MRP must be obtained. If the road is left, the water bar outlets need to be cleaned out and the excelsior logs replaced prior to the onset of winter.

If you have any questions, please feel free to call me at (801) 538-5325.

Sincerely,

Daron R. Haddock  
Permit Supervisor

DRH/PWBsq  
Attachment  
cc: Price Field Office  
O:\015032.CRA\FINAL\082009Reclaim.doc

