

0003

~~File file~~ 10/25/92  
D. Holdcock  
LPR

November 25, 1992

State of Utah  
Department of Natural Resources  
Division of Oil, Gas & Mining  
355 West North Temple  
3 Triad Center, Suite 350

Attention: Lowell P. Braxton - Associate Director, Mining

Gentlemen:

I have granted an option to Coal Reserves, Inc., Dominion Coal Co., and Richard Bigler to buy my interest in coal leases, known as the Blackhawk Mine or Summit #1 and the adjacent leases, ML43645, ML43646, ML43647, and ML43716. The grantees named above desire to inspect the mine to determine the proper methods and procedures to activate this mine.

The grantees "agree to pay any and all mine development and associated costs, including licensing, engineering, permits, insurance, reclamation bonding, etc." and "any and all work performed shall be done in an acceptable mining manner consistent with best of mining practices and in full accordance and in compliance with all rules, regulations, and requirements of the Federal, State, and local governments."

I will appreciate any assistance your division can give these grantees to obtain information and to develop this mining property.

By copy of this letter to the grantees. They will be informed of my request to your office.

Sincerely,

*Keith H. Bates*  
Keith H. Bates

KHB:sb

cc: Coal Reserves, Inc.  
c/o Richard Bigler  
P. O. Box 1623  
Provo, Utah 84603