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DIV. OF OIL, GAS & MINING

PQP

The Highest Quality Perlite Ore... And the Service to Match

M/001/027
Beaver file

MS. MARY ANN WRIGHT/ASSISTANT DIRECTOR
MR. D. WAYNE HEDBERG/PERMIT SUPERVISOR
UTAH STATE DIVISION OF OIL, GAS & MINING
1594 WEST NORTH TEMPLE STREET
P.O. BOX 145801
SALT LAKE CITY, UTAH 84114-5801

July 16, 1997

RE: Pearl Queen Perlite M/001/027 Beaver County Large Mine Permit Tentative Approval / Commitment by PQP Regarding Protests Requesting Cultural Resources Mitigation in Mine Area.

Dear Ms. Wright and Mr. Hedberg:

It was a pleasure and an honor to have you visit our mine area in Beaver County this past Monday, July 14, 1997. I was happy we were all able to meet together and amicably come to a conclusion with you and with Ms. Parker and Ms. Schroth regarding mitigation of the cultural resources within the proposed area to be mined.

I am grateful to you and to the Division for your attention and help throughout this permitting process and for the time you have taken to work personally with us. I am also grateful to Ms. Parker and Ms. Schroth for their professionalism and good faith in working with us in an understanding manner so that this mining operation can go forward and for their appreciation of the economic benefits this development will mean to the people of the City of Milford.

As per our meeting on July 14, 1997, Pearl Queen Perlite Corporation commits to do the following as per mitigation of future disturbances of cultural resource sites located within Utah State Mineral Lease 3092 (the entire mine area):

1. Prior to the disturbance by PQP of surface areas other than those surface areas currently under disturbance, (which areas have been disturbed in accordance with the provisions of the small mine permit PQP does currently hold); as an express condition of the approval by the Division of Oil, Gas and Mining of a large mine permit, PQP shall cause to be conducted a formal cultural resources survey by a Utah State Historical Society-Approved Archaeological company.

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Through such a survey the new surface areas to be disturbed will have any cultural resource sites of value documented, and if necessary, mitigated further through additional study and/or excavation, in accordance with standard, applicable regulation governing the disturbance of such sites and cultural resources.

2. PQP will promptly cause, prior to July 30, 1997, to be erected signs which clearly state "No Further Disturbance" for all areas other than the presently disturbed areas. These signs shall form a continuous boundary around the presently disturbed mining area (not including the mine access road) and shall provide notification to all parties of the boundary between the disturbed and undisturbed areas. These signs shall be placed along this boundary at intervals of such frequency that from any sign, the signs to either side of said sign can be clearly viewed. PQP shall not, as stated in Paragraph 1 hereabove, disturb surface areas outside of this boundary without first conducting the cultural resources mitigation stated.

3. Prior to PQP disturbing any new surface areas, PQP shall cause to be conducted a location survey of the present disturbed areas. Such survey, conducted by GPS or similar accurate survey methods, shall serve to delineate clearly the disturbed area on a map of which the scale is not greater than 1" = 1,000'. PQP shall provide a certified copy of this map to the Division for use by the Division. This map of disturbed areas shall serve as a guide to PQP, and PQP commits to conduct the cultural resources mitigation described in Paragraph 1 hereabove upon any new surface areas to be disturbed which are outside of the surveyed disturbed area.

It is my hope that this commitment on the part of PQP meets the needs of Ms. Parker, Ms. Schroth, and the Division. It is my understanding that this letter of commitment is binding to PQP and will be attached to the large mine permit as a condition of approval.

Very Sincerely Yours:

Daniel J. Gatten

Daniel J. Gatten
Project Coordinator

CC: Ms. Mary Ann Wright, Assistant Director of D.O.G.M.
Mr. D. Wayne Hedberg, Permit Supervisor of D.O.G.M.
Ms. Mari Pritcher-Parker, M.S.
Ms. Adella Schroth, Ph.D.
Mr. O. Jay Gatten, President of PQP
Mr. Gerald A. Wavering, Senior Engineer, Operations Mngr PQP
Large Mine Permit File