M1001/0082
Peter

BEAVER COUNTY COMMISSION

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MAY 08 2014
DIV. OF OIL, GAS & MINING

Mr. Paul Baker

Minerals Program Manager
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116

Dear Mr. Baker:

In response to a request from Utah Division of Oil, Gas and Mining (DOGM) contained in comments to Utah Alunite Corporation's (UAC) Notice of Intent for the Blawn Mountain Project (M/001/0082 (Project)), Beaver County Commissioners provide the following response regarding County roads in or adjacent to the Project boundary.

Beaver County has worked closely with UAC over the past several years in support of their Project. The County is extremely interested in seeing the Project succeed and move forward. There have been discussions with UAC regarding the current alignment of Revenue Basin/Willow Springs Road and how it will be impacted by the Project. UAC has developed engineering plans to relocate approximately 3 miles of this road to develop the Project. The current road which is maintained by Beaver County under an existing right-of-way from State Institutional and Trust Lands Administration (SITLA), would be improved (widened, re-surfaced, drainage controls, etc.) by UAC and used as a mine access road and for mining and processing related activities within their lease from SITLA. To maintain public safety, UAC has proposed to construct a bypass road inside their SITLA lease just to the west of the existing road that would be used by the general public to avoid interaction between the general public and project related traffic. Access to the Project on the improved road would be controlled by UAC. The bypass road constructed by UAC and used by the general public would meet all applicable roadway requirements of Beaver County. During the life of the operation, Beaver County will maintain the bypass road at a level of effort consistent with current practices for the existing roadway. UAC will be responsible for maintaining the improved segment of the existing road.

Upon completion of the Project, Beaver County prefers that both the constructed bypass road and the improved mine access road be left as constructed. Both roads will be improved with grade and drainage control to support year round access. Beaver County considers the bypass road and the improved mine

road enhancements to its rural roadway system. These roads will support safe access to this part of the County as well as providing access to Iron County to the south.

Retaining the bypass road will provide access to potential future mineral development on lands managed by SITLA that were obtained as part of a land exchange to encourage mineral development. Beaver County currently retains a right-of-way for the mine access road that will be improved, and Beaver County expects to seek a right-of-way for the bypass road when the Blawn Mountain project is completed. SITLA historically has preferred that roads that enhance mineral development be retained and Beaver County fully anticipates that SITLA will grant a new right-of-way for the bypass road. Having additional roadways supports the existing uses of Beaver County residents, and could encourage future mineral development as well as other uses important to the residents of Beaver and Iron Counties.

In closing, both roads are expected to be county roads, and Beaver County reserves the right to assess maintenance of its roads based on utilization and need. Beaver County expects that such consideration will be made at the time at which mining operations at Blawn Mountain conclude. Please accept this correspondence as not only a statement of support to retain both roadways in question but also as a vote of support for the UAC project. Feel free to contact the Commission with any questions or comments.

Sincerely,

Michael F. Dalton
Chairman