Joelle - for file
S/001/028

April 10, 2000

Mark Dotson, President
Breccia Development, Inc.
PO Box 492
Milford, Utah 84751

Greetings,

I am in receipt of your letter of 4/6 regarding my letter to you of 3/27 concerning damage in and around our decorative rhyolite quarry operation on the mint claim. The unfortunate damage to your equipment has no relationship to the damage in and around the mint claim that was obviously done when your employees or your contractor pioneered the roads I described. You were the permitee and are responsible. It is called supervisional responsibility and you need to manage whomever does your work for you or suffer the consequences.

I have been in the mining and quarrying business for 48 years and have acquired through hard work and attention to detail, a reputation as one of the very best in the business nationally. I stand by my assessment that the road work I described is one of the worst examples that I have seen. You should be troubled by my letter and hopefully it will lead to a better understanding of business management in our new age. I have come up through the school of hard knocks and have profited by it through a willingness to take care of my mistakes and not blame them on others. Jeff Sagers was with me the day we went to the quarry and as you will remember, he phoned you so I could relate what we had encountered.

You mentioned in your letter that "smooth roads and flat surfaces do not constitute reclamation". I never implied that this constituted reclamation since we have an on going quarrying operation. Smooth roads, flat surfaces, and neat organized quarries represent an efficiently run business that may have a hope of profitability. You statement that we have "quarried several thousands of tons of stone" is inaccurate. To be exact, we have quarried 231.43 tons of stone, which I have reported to Mr. Burbidge. You must be aware that there have been a number of previous claim holders on this property over the past 20 or so years, mainly Eugene Hodges and family. They did all of the excavation that you see. We came in, did extensive clean up work in order to make the quarry an economically viable operation.

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APR 14 2000
DIVISION OF
OIL, GAS AND MINING

NORTHERN STONE SUPPLY, INC.
Producing Quality Building Stone Products for Worldwide Distribution
P.O. BOX 249 / OAKLEY, IDAHO 83346 / (208) 862-3353 / FAX (208) 862-3846

Relative to unexploded rounds in your fifth paragraph, I am aware of that possibility and discussed taking care of that issue with Jeff Sagers when we were on the property. As far as the land owner being subject to liability, our contract guarantees that Northern Stone Supply, Inc. assumes full responsibility for liability, and restoration to the property. My company is international, and we have all of the requirements in place to take care of these obligations.

Regarding the road from the south end of the quarry, there was no road there prior to your work. Also, why would you need access right through our quarry when there was an excellent road improved by us from the north, and then good access from the south through washes off of the Jockey Road?

If you did all of the work for the Moody family in the past, you should be aware of the mess that was left and what I had to invest to get the area cleaned up. In your seventh paragraph you mentioned that you offered to help Jeff Sagers with some of your equipment when you visited the quarry site with him. I never authorized Jeff to negotiate anything and he has never mentioned this to me. I appreciate your offers with equipment help, but that is not what this issue is about. It is about the reality of how your work in the area was done with no regard to the rights of others, and proper supervision of your employees and or contractors.

Again, you have caused a great amount of trouble and economic impact over this issue. Your attempt to distort reality will not make the matter go away. In spite of the severity of the issue, I would like to meet with you at our quarry operation to see if there might be a way to resolve the damage done to our site. The balance of the messy work done outside of our quarry is in your lap. If you expect to stay in business very long, my advise to you is to clean up your act. You may not be ready for any advise, I am only trying to give you a little benefit from my 48 years of experience. Take it or leave it.

Sincerely,

Gary Mullard
President

lw
cc: Tom Munson, D.O.G.M., Ed Ginouves, B.L.M., Mickey Calder, Richard Burbidge, Mary Ann Wright, Dept. of Natural Resources