State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

12/18/2001

TERRA RESOURCES LLC
2016 SOUTH MONTANA AVE
PROVO UT 84606

Re: Request for Annual Report for the Year 2001.

Dear Sirs:

The enclosed report form(s) for the Mine(s) referenced below need to be completed and returned to this office by January 31, 2002.

| Mine Status | Mine Number | Mine Name | Contact Person |
|---|---|---|---|
| ACTIVE | S210024 | RMS 1/MTN SPRING PEAK | JEFF SAGERS |
| ACTIVE | S010046 | FRISCO WHITE | JEFF SAGERS |
| ACTIVE | S010047 | SOUTHERN WHITE/MOUNTAIN ROSE | JEFF SAGERS |
| ACTIVE | S030052 | DOVE CREEK PASS | JEFF SAGERS |
| ACTIVE | S030053 | PINE SPRING/CLARKS BASIN | JEFF SAGERS |
| ACTIVE | S030064 | ANTIQUE COBBLE | JEFF SAGERS |

Annual reports are required by Rules R647-3-116 and R647-4-121 of the Division's Amended and New Rules, Minerals Reclamation Program.

**Reports are required regardless of annual mine activity, unless you have received a written waiver or formal release from reclamation obligations from the Division.**

Thank you for your cooperation and prompt attention to this matter.

Sincerely,

D. Wayne Hedberg

D. Wayne Hedberg
Permit Supervisor
Minerals Reclamation Program