M/023/004

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March 19, 1990

DOGM
MINERALS PROGRAM
FILE COPY

Mr. D. Wayne Hedberg
Division of Oil, Gas & Mining
Department of Natural Resources
State of Utah
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Permit Transfer Documentation,
Ash Grove Cement West, Inc./
Southwestern Enterprises Inc.;
Leamington Quarry Plant,
Nielson Sandstone Quarry,
Navajo Sandstone Quarry
Juab County, Utah

RECEIVED
MAR 20 1990
DIVISION OF
OIL, GAS & MINING

Dear Wayne:

In connection with the Board of Oil, Gas & Mining hearing scheduled for Thursday, March 22, 1990, enclosed are the following documents for approval and execution on behalf of the Board/Division as appropriate, and USFS, as necessary for Leamington Quarry:

A. Leamington Quarry, M/023/004.

1. Four counterparts of DOGM form MR-TRL, (Transfer of Notice of Intention, Large Mining Operations), together with Appendix "A", and including the map in two parts, showing disturbed areas.

2. Certificate of Resolutions and Incumbency relating to the authority of George M. Wells to execute documents on behalf of Ash Grove Cement West, Inc.

3. Four counterparts of DOGM form MR-RC (Reclamation Contract) to which are attached Exhibit "A" (descriptions) and Exhibit "B" (USFS form of Reclamation Performance Bond).

4. Four counterparts of DOGM form MR-JASA (February 1990), Joint-Agency Reclamation Surety Agreement.

FORM MR-TRL
(Revised 3/89)

For Division Use:
File No.: M/023/004
Effective Date:
DOGM Lead:

MAR 20 1990
DIVISION OF
OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

TRANSFER OF NOTICE OF INTENTION
LARGE MINING OPERATIONS

---ooOoo---

and USFS Plan of Operations (as approved 3/14/80)

1. (a) Notice of intention to be transferred (file number): M/023/004

   (b) Name of mining operation: Leamington Quarry

   (c) Location of mining operation (county): Juab

   (d) Name, telephone number and mailing address of the operator currently holding the notice of intention (transferor):

   Southwestern Cement Enterprises, Inc.
   1200 Smith Street, Suite 2500
   Houston, Texas 77002

2. (a) Name, telephone number and mailing address of the operator aquiring the notice of intention (transferee):
   ASH GROVE CEMENT WEST, INC. - P.O. Box 51, Nephi, Utah 84648
   (801) 857-2380
   Duane Crutchfield, Plant Manager

   (b) Name, telephone number and address of the authorized representatives of the Transferee to whom any notices under the provisions of the Utah Mined Land Reclamation Act may be sent:
   George M. Wells, President, Ash Grove Cement West, Inc.
   6720 S. W. Macadam Ave., Suite 300
   Portland, Oregon 97201

3. (a) The total disturbed area identified in the approved notice of intention: 273 Acres

   (b) The actual number of acres disturbed by the operation through date of transfer: 218 Acres

   (c) Attach a legal description of above acreages as Appendix "A" and a map of suitable scale with actual disturbed areas clearly shown and identified.

4. This application must be accompanied by a fully executed and signed Reclamation Contract (Form MR-RC). (pertaining to USFS Plan of Operations approved March 14, 1980, and DOGM Notice of Intention M/023/004)

SWORN STATEMENT OF TRANSFEROR

I, John F. Platt being first duly sworn under oath, deposes and says that I am Senior Vice President-Administration (officer or agent) of Southwestern Cement Enterprises, Inc. (Corporation/Company Name); and that I am duly authorized to execute and deliver the foregoing obligations; that I have read the said application and fully know the contents thereof; that all statements contained in the transfer application are true and correct to the best of my knowledge and belief. By execution of this statement I certify that the Transferor is in full compliance with the USFS Plan of Operations approved March 14, 1980, and rules and regulations pertaining thereto; and Utah Mined Land Reclamation Act, the Rules and Regulations promulgated thereunder, and the terms and conditions of Notice of Intention No. M/023/004.

SOUTHWESTERN CEMENT ENTERPRISES, INC.

By: _____
Signature

John F. Platt
Name (Typed or Print)

Senior Vice President-Administration
Title

Subscribed and sworn before me this 6th day of March, 1990.

Jo Ann M. Pavlock
Notary Public

My commission Expires:
October 2, 1992.

JO ANN M. PAVLOCK
Notary Public, State of Texas
My Commission Expires Oct. 2, 1992

State of Texas)
) ss.
County of Harris)

FORM MR-TRL
(Revised 3/89)

SWORN STATEMENT OF TRANSFEREE

George M. Wells, being first duly sworn under oath,

deposes and says that I am President
(officer or agent)

of Ash Grove Cement West, Inc.; and that I am duly authorized to
(Corporation/Company Name)

execute and deliver the foregoing obligations; that I have read the application and fully understand the contents thereof; that all statements contained in the transfer application are true and correct to the best of my knowledge and belief. By execution of this statement, the Transferee agrees to be bound by the terms and conditions of the United States Forest Service Plan of Operations approved March 14, 1980, and rules and regulations pertaining thereto Notice of Intention No. M/023/004, the Utah Mined Land Reclamation Act, and the Rules and Regulations promulgated thereunder.

ASH GROVE CEMENT WEST, INC.

By: George M Wells
Signature

George M. Wells
Name (Typed or Print)

President
Title

Subscribed and sworn before me this 14th day of March, 19 90.

Notary Public

My commission Expires:

April 27, 1990, 19____.

State of Oregon)
) ss.
County of Multnomah)

CERTIFICATION OF APPROVAL

This is to certify that I have examined the foregoing application and do hereby grant the same, subject to the following limitations and conditions:

(a) This transfer of notice of intention grants only the right to affect the lands described in Appendix "A".

(b) The transferee has provided to the Division a fully executed and signed Reclamation Contract (Form MR-RC). The surety shall be effective on the date of transfer.

(c) The transferee, or such other person as required by UCA 1953, Title 40-8, has acquired legal right to mine for lands described in Appendix "A".

COMMENTS:

APPROVED: Dianne R. Nielson
(Signature)
Director, Division of Oil, Gas and Mining

Effective Date: 3/22/90
NOI No.:

APPROVED AS TO FORM: Barbara W. Roberts
(Signature)
Assistant Attorney General

MN9/45-48

APPENDIX "A"

3.(a) 273 acres in Sections 3, 4 and 5, Township 15 South, and in Sections 32 and 33, Township 14 South, Range 3 West, SLM, Juab County, Utah.

(b) 159 acres shown on blue line print (two (2) parts) "Disturbed Land Outline", Drawing #B-89-4-0465 dated October 13, 1989, also attached. (Quarries only)

m/023/004

CERTIFICATE OF RESOLUTIONS AND INCUMBENCY

I, the undersigned Assistant Secretary of Ash Grove Cement West, Inc., a Nevada corporation (herein called the "Corporation"), do hereby certify that the following person at all relevant times was and is duly elected to the position listed next to his name, was and is qualified to hold that position, and was and is fully authorized and empowered to execute the instruments and to act for and bind the Corporation for the purposes stated in the Resolution, attached as Exhibit A, and said person now holds that position:

George M. Wells President

I am authorized to execute and deliver this certificate on behalf of Ash Grove Cement West, Inc.

EXECUTED this 14th day of March, 1990

Assistant Secretary

STATE OF Oregon)
:ss.
COUNTY OF Multnomah)

BEFORE ME, the undersigned authority, on this day personally appeared Emery N. Sundberg, Assistant Secretary of Ash Grove Cement West, Inc. a Nevada corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of Ash Grove Cement West, Inc.

Given under my hand and seal of office on this the 14th day of March, 1990.

Notary Public
Residing at: Portland Or

My Commission Expires:
MY COMMISSION EXPIRES 10/12/91

EXHIBIT A

WHEREAS, ASH GROVE CEMENT WEST, INC., by Agreement to Purchase and Sell Assets ("Agreement") between Ash Grove Cement West, Inc. ("Ash Grove") and Martin Marietta Corporation ("Martin"), has acquired title to the existing cement plant and related facilities near Leamington, Utah ("Plant"); and

WHEREAS, Martin conducted mining and reclamation operations at the Plant under a Plan of Operations submitted to the United States Forest Service ("USFS") on September 18, 1979 (Plan of Operations) and approved by the USFS by letter to Martin dated March 14, 1980; and

WHEREAS, Martin also held an approved Notice of Intention to Commence Mining Operations, ACT/023/004 from the State of Utah, Division of Oil, Gas and Mining ("DOGM"); and

WHEREAS, both the USFS Plan of Operations and the DOGM Notice of Intention were subsequently transferred (and such transfers approved by both agencies) to Martin's Lessee, Southwestern Cement Enterprises Inc. ("Southwestern"); and

WHEREAS, Southwestern now desires to transfer to Ash Grove and Ash Grove desires to accept the authority under the USFS Plan of Operations and the DOGM Notice of Intention to conduct mining and reclamation operations pursuant thereto.

NOW, THEREFORE, BE IT RESOLVED, that the president of Ash Grove is hereby authorized to take such action and execute all documents as may be necessary to transfer the USFS Plan of Operations and the DOGM Notice of Intention to Ash Grove and to commit Ash Grove to comply with all obligations and

responsibilities specified or included in the USFS Plan of Operations and the DOGM Notice of Intention effective as of May 8, 1989; and that the Secretary of Ash Grove is hereby authorized to certify as to the adoption of these resolutions and the authority of the president to take the described actions and execute all necessary documents.

m/023/004

CERTIFICATE OF CORPORATE RESOLUTIONS
OF
SOUTHWESTERN CEMENT ENTERPRISES, INC.

The undersigned hereby certifies that he is the duly elected, qualified and acting Assistant Secretary of Southwestern Cement Enterprises, Inc., a Delaware corporation, ("Company), and as such is familiar with the facts herein certified and is duly authorized to certify the same, and hereby further certifies that the resolution attached hereto as Exhibit A was duly adopted at a meeting of the Board of Directors of the Company held on March 6, 1990, throughout which meeting a quorum was present and voting at all times, and that such resolution has not been amended or rescinded and is in full force and effect at the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Company this 6th, day of March, 1990.

Wendell E. Phillips II
Assistant Secretary
Southwestern Cement Enterprises, Inc.

STATE OF Texas)
:ss.
COUNTY OF Harris)

BEFORE ME, the undersigned authority, on this day personally appeared Wendell E. Phillips, II Assistant Secretary of Southwestern Cement Enterprises, Inc. a Delaware corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of Southwestern Cement Enterprises, Inc.

Given under my hand and seal of office on this the 6th day of March, 1990.

Terry Belinda Callahan
Notary Public
Residing at: Harris County

My Commission Expires:

TERRY BELINDA CALLAHAN
NOTARY PUBLIC
State of Texas
Comm. Exp. 01-15-94

SOUTHWESTERN CEMENT ENTERPRISES, INC.

UNANIMOUS WRITTEN CONSENT
OF DIRECTORS

The undersigned, being all of the directors of Southwestern Cement Enterprises, Inc. ("Company"), a Delaware corporation, do hereby consent to the adoption of the resolutions annexed hereto as Exhibit A, to the same extent and with the same force and effect as if adopted at a meeting of the Board of Directors, duly called and held for the purpose of acting on proposals to adopt such resolutions.

Effective this 6th day of March, 1990.

Clarence C. Comer

Edgar J. Marston III

Dennis M. Thies

James L. Persky

EXHIBIT A

WHEREAS, Southwestern Cement Enterprises, Inc. ("Company") entered into a Lease and Purchase Option Agreement dated March 21, 1984 ("Agreement") with Martin Marietta Corporation, a Maryland corporation ("Martin"), pursuant to which the Company leased from Martin its existing cement plant and related facilities in Leamington, Utah ("Plant"); and

WHEREAS, Martin conducted mining and reclamation operations at the Plant under a Plan of Operations submitted to the United States Forest Service ("USFS") on September 18, 1979 ("Plan of Operations"), which was approved by the USFS in a letter to Martin dated March 14, 1980 and Utah Division of Oil, Gas & Mining ("DOGM") approved Notice of Intention to Conduct Mining Operations (N/I); and

WHEREAS, Martin transferred to the Company and the Company accepted Martin's authorization to conduct such mining and reclamation operations at the Plant and all responsibilities specified in the Plan of Operations and in the USFS letter approving the Plan of Operations, and the DOGM N/I, for so long as Southwestern operated the Plant; and

WHEREAS, the Agreement was terminated and Company surrendered the Plant; and

WHEREAS, Martin Marietta Corporation conveyed the Plant to Ash Grove Cement West, Inc. under Agreement to Purchase and Sell Assets dated as of May 8, 1989.

NOW, THEREFORE, BE IT RESOLVED, that the appropriate officers are hereby authorized on behalf of Company to execute, deliver and

file with the appropriate officials of United States Forest Service ("USFS") and State of Utah, Division of Oil, Gas and Mining ("DOGM") all transfer documents required to effect a transfer of authority to operate mining and reclamation operations at the Plant from Company to Ash Grove Cement West, Inc. under the described USFS Plan of Operations and DOGM N/I effective as of May 8, 1989.