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

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

J.
M/023/004

August 21, 2002

Certified Return Receipt
7099 3400 0016 8895 5057

Charles T. Wiedenhoft, President
Ash Grove Cement Company
P.O. Box 51
Nephi, Utah 84648

Re: Formal Approval of Form and Amount of Replacement Reclamation Surety, Ash Grove Cement Company, Leamington Quarry (M/023/004), Nielson Sandstone Quarry (M/023/012) and County Canyon (M/023/024), Juab County, Utah

Dear Mr. Wiedenhoft:

On August 6, 2002, the Director of the Division of Oil, Gas and Mining formally approved the form and amount of replacement reclamation sureties and reclamation contracts for Ash Grove Cement Company's three mines mentioned above. Travelers Casualty and Surety Company of America replaced the three sureties which were formerly issued by St. Paul Fire and Marine Insurance Company as follows:

County Canyon (M/023/024) - $95,000 - # replaces #
Nielson Sandstone Quarry (M/023/012) - $113,400 - # replaces #
Leamington Quarry (M/023/004) - $698,200 - # replaces #

The Division hereby grants its final approval of the replacement sureties and Reclamation Contracts for the County Canyon, Nielson Sandstone Quarry and Leamington Quarry as issued by Travelers Casualty and Surety Company of America.

As you are aware, the Leamington Quarry recently went through a major revision and Ash Grove Cement Company has issued a $4,372,057 Letter of Credit (LOC) for 669 acres of disturbance for that site. On August 21, 2002, the Division Director approved of the form and

amount of this replacement surety and executed the documents for the Leamington Quarry. We are now able to release the $698,200 Travelers Casualty and Surety Company surety bond # [illegible] for the Leamington Quarry. We have enclosed and are returning the original Travelers surety bond and Reclamation Contract received June 14, 2002 for the Leamington Quarry.

Copies of the fully signed and executed Reclamation Contracts and surety bond forms and the Letter of Credit are enclosed for your files. Thank you for your help in finalizing these permitting actions. Please call me if you have any questions in this regard.

Sincerely,

FOR D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Enclosures: Copies of RC & surety bonds (County Canyon & Nielson Sandstone),
Copy of RC & LOC and original RC & Travelers surety (Leamington)
cc: Rex Rowley, BLM, Fillmore FO w/Encl – County Canyon & Nielson Sandstone
Rance Rollins – USFS, Fishlake NF, Leamington Quarry
O:\M023-Juab\ashgrove-replace-bonds.doc