Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

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

November 21, 1991

Ms. Eileen F. Sollars
Ash Grove Cement Company
8900 Indian Creek Parkway
Suite 600
P. O. Box 25900
Overland Park, Kansas 66225

Dear Ms. Sollars:

Re: Company Merger, Ash Grove Cement West, Inc., Leamington Quarry, M/023/004, Navajo Sandstone, M/023/010, and Nielson Quarry M/023/012, Juab County, Utah

Recently this Division received your letter stating that effective January 1, 1992, Ash Grove Cement West, Inc. (Ash Grove West) will be merged into Ash Grove Cement Company (Ash Grove). Following an inhouse legal review, it has been determined that the three referenced mines will need to be formally transferred from Ash Grove West to Ash Grove.

Three copies of our permit transfer forms are enclosed. The forms will need to be filled out and signed by both parties involved in the transfer. New reclamation contracts and new sureties will also need to be posted by Ash Grove for each mine. Appropriate forms for this process are enclosed. We have assumed that you will again post corporate surety bonds as the form of replacement surety for these operations. Please contact us immediately if another form of surety is preferred and we will provide you with the appropriate forms.

It may be possible to have the existing sureties revised through a "rider" to transfer the name and ownership to Ash Grove. Your surety company can advise you in this matter. Please be advised that if replacement sureties are pursued, each will likely need to be made out ***jointly*** in the name of this Division, the U.S. Forest Service and/or the Bureau of Land Management, as appropriate.

an equal opportunity employer

Upon Board acceptance and approval of the new reclamation contracts and replacement sureties, the Division will be able to formally recognize Ash Grove as the new operator and approve of the permit transfers. At that time, the old sureties will be released to Ash Grove Cement West, Inc.

If we can be of assistance to you in this transfer process, please contact me or Wayne Hedberg of my staff. We look forward to working with you.

Sincerely,

Lowell P. Braxton
Associate Director, Mining

jb
Enclosures
cc: Terry Kerby, Ash Grove Cement West, Inc.
Rex Rowley, BLM, House Range RA
J. Kent Taylor, USFS, Fishlake NF
Wayne Hedberg, DOGM
M023004.1

M/023/004

ASH GROVE CEMENT COMPANY

8900 INDIAN CREEK PARKWAY, SUITE 600, P.O. BOX 25900
OVERLAND PARK, KANSAS 66225
PHONE 913 / 451-8900
FAX 913 / 451-8324

EILEEN F. SOLLARS
ASSISTANT GENERAL COUNSEL

DOGM
MINERALS PROGRAM
FILE COPY

RECEIVED
OCT 0 2 1991
DIVISION OF
OIL GAS & MINING

September 30, 1991

Mr. Wayne Hedberg
Division of Oil, Gas and Mining
3 Triad Center, Suite 350
355 West North Temple
Salt Lake City, Utah 84180-1203

Re: Mining and Reclamation Plan Permit ACT/023/004, dated March 2, 1987

Mining and Reclamation Plan Permit M/023/012, dated September 17, 1987

Mining and Reclamation Plan Permit ACT/023/010, dated March 2, 1987

Ladies and Gentlemen:

Ash Grove Cement West, Inc. ("AGCW") is operating under the above-referenced mining and reclamation plans (the "Plans"). Presently AGCW is a wholly-owned subsidiary of Ash Grove Cement Company ("Ash Grove"), a Delaware corporation.

Effective January 1, 1992, AGCW will become merged into and will become a part of Ash Grove. After that time business will be conducted under the Ash Grove name. All equipment, facilities and operations, including the Leamington, Utah operations, will remain in their present locations.

This letter is provided to you for the purpose of notifying the Division of the merger. Ash Grove as the surviving company will assume responsibility following the merger for and will continue to honor all obligations and conditions respecting the Plans. If it is necessary that any further action be taken respecting the Plans in connection with the merger, please contact the undersigned. However, regular communications respecting the Utah operations should continue to be directed to the Nephi, Utah address.

Sincerely,

Eileen F. Sollars

EFS/kp
150F

MEMBER PCA PORTLAND CEMENT ASSOCIATION