M/023/016

United States Department of Agriculture
Forest Service
Manti-La Sal National Forest

Sanpete Ranger District
540 North Main Street
Ephraim, UT 84627
Phone # (435) 283-4151
Fax # (435) 283-5616

File Code: 2810
Date: September 14, 2005

Susan White
Mining Program Coordinator
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

RECE
SEP 19 2005
DIV. OF OIL, GAS & MINING

Dear Susan:

On Tuesday, August 30, 2005, the following people met at the Chicken Creek Gypsum Mine at Levan, Utah to discuss approval of the Plan of Operations on the mine:

Susan White - Mining Program Coordinator, Utah Division of Oil, Gas & Mining (UDOGM)

Tom Munson – UDOGM

Tom Shore – District Ranger – Manti-La Sal National Forest (MLNF)

Tom Lloyd – Geologist – MLNF

Joel Nowak – Physical Science Technician – MLNF

Dale Harber – Geologist – MLNF

Donald Wilcox – Civil Engineer – MLNF

Tony Christofferson – H.E. Davis Construction, Inc.

Kay Christofferson – H.E. Davis Construction, Inc.

Rod Dolph - H.E. Davis Construction, Inc

UDOGM wishes to approve the current operation of the mine and to finalize the Reclamation Contract under an upgraded bond.

In an effort to cooperate with the UDOGM under our current Memorandum of Understanding, and to facilitate finalization of the Reclamation Contract, I have no objection in allowing H.E. Davis Construction, Inc. to continue their current operations within the existing disturbed area as defined by the attached map. For the benefit of the equipment operators, H.E. Davis must stake the perimeter of the mine to ensure operations do not exceed the current footprint.

The Forest Service feels, however, that the proposed Plan of Operations does not adequately address the following issues:

1. Future expansion of the mine (everyone, including the operators, feel that the mine will soon expand beyond the existing footprint.)

2. Combining Chicken Creek East and Chicken Creek West mines into one operation.

A letter detailing these and other inadequacies will be sent to H.E. Davis shortly.

At the meeting, Tony and Kay Christofferson agreed to submit an updated Plan of Operations that will address the above issues by the end of September, 2005. After a complete and detailed Plan is submitted, we will then proceed with an environmental analysis that addresses the expansion of the mine.

Sincerely,

THOMAS H. SHORE
District Ranger

Enclosure