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Copy to PAM

Phoenix Continental

Phoenix Continental
Management Ltd.
1155 West Pender St., Box 2073
Vancouver, B.C. V6B 3S6

RECEIVED
MAY 28 1985
DIVISION OF OIL
GAS & MINING

May 16, 1985.

Pamela Grubaugh-Littig
Reclamation Engineer
State of Utah Natural Resources
Oil Gas and Mining
355 W. North Temple
3 Triad Center - Suit 350
Salt Lake City,
Utah
84180

Dear Ms. Grubaugh-Littig,

Re: Continental Lime Inc.
Land Reclamation Bond

Please refer to our last correspondence (copy attached). In talking with the agent today it is possible that our correspondence reached you before the replacement bond was filed.

I understand that the new bond has now been filed and would again ask that you sign a copy of our letter requesting that we be released from any obligation under our bond #.

Your prompt attention to the above request is much appreciated.

Yours very truly,

RWHarrison.

Robert W Harrison.
Assoc. Bond Underwriter

Encl.

MR FORM 5

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING
1588 West North Temple
Salt Lake City, Utah 84116

THE MINED LANDS RECLAMATION ACT

BOND
****

KNOW ALL MEN BY THESE PRESENCE, that the undersigned CONTINENTAL LIME INC. as principal, and RELIANCE INSURANCE COMPANY as surety, are held and firmly bound unto the State of Utah, Division of Oil, Gas, and Mining, in the penal sum of THIRTY-EIGHT THOUSAND TWENTY AND XX/100---------- dollars ($38,020.00) for the payment of which sum, will and truly be made, we hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors, and assigns.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH that whereas the above named principal did on the 12th day of FEBRUARY, 1981, file with the Division of Oil, Gas, and Mining a "Notice of Intention to Commence Mining Operations" and a "Mining and Reclamation Plan", to secure authorization to engage in mining operations in the State of Utah, under the terms and provisions of the Mined Land Reclamation Act; that in said Notice the principal estimated that _____ acres of land will be affected by mining. Said land is described as follows in Exhibit "A" attached hereto.

NOW, if the said principal shall satisfactorily reclaim the above mentioned lands affected by mining by said principal in accordance with the Mining and Reclamation Plan and shall faithfully perform all requirements of the Mined Land Reclamation Act, and comply with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect until the reclamation is completed as outlined in the approved Mining and Reclamation Plan.

If the said approved plan provides for reclamation of the land affected on a piecemeal or cyclic basis, and said land is reclaimed in accordance with such plan, then this bond may be reduced periodically.

In the converse, if the said plan provides for a gradual increase in the area of the land affected or increased reclamation work, then this bond may accordingly be increased with the written approval of the surety company.

NOTE: Where one signs by virtue of Power of Attorney for a surety company, such Power of Attorney must be filed with this bond. If the principal is a corporation, the bond shall be executed by its duly authorized officers with the seal of the corporation affixed.

CONTINENTAL LIME INC.
Principal (Company)

Date: _____

By: _____
Company Official- position

Date: May 12, 1985

RELIANCE INSURANCE COMPANY
Official of Surety-Position

By: _____
Official of Surety-Position