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

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September 13, 2002

Gary Poole
Graymont Western US Incorporated
3950 South 700 East, Suite 301
Salt Lake City, Utah 84107

Re: Formal Approval of Form and Amount of Replacement Reclamation Surety, Graymont Western US Incorporated, Cricket Mountain Mine, M/027/006, Millard County, Utah

Dear Mr. Poole:

On July 2, 2002, the Division received notice that Graymont Western US Inc.'s reclamation surety bond with American Automobile Insurance Company was going to be canceled, effective August 31, 2002. Fireman's Fund Insurance Company later sent notice the surety would not be canceled until September 25, 2002. As this site was due for the standard five-year review, the Division performed its review and escalated the surety to year 2007 dollars.

On September 6, 2002, the Director of the Division of Oil, Gas and Mining formally approved the form and amount of replacement reclamation surety for Graymont Western US Inc.'s Cricket Mountain mine. The reclamation surety in the amount of $1,667,600 is in the form of a surety bond ( ) issued by Lumbermen's Mutual Casualty Company. ***The Division hereby grants its final approval of your replacement and updated reclamation surety to year 2007 dollars for the Cricket Mountain Mine.***

Enclosed please find copies of the fully signed and executed Reclamation Contract and surety bond forms for your files. Also enclosed are the original American Automobile Insurance Company surety bond and original Reclamation Contract.

Thank you for your help, and please do not hesitate to call me if you have any questions in this regard.

Sincerely,

D. Wayne Hedberg

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

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Enclosure: copy of Lumbermen's surety & RC
original RC & American Automobile surety & riders
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