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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

January 8, 1998

Pat Gochnour
Gochnour & Associates, Inc.
5231 South Quebec
Greenwood Village, Colorado 80111

Re: Final Approval, Summo USA Corporation and Lisbon Valley Mining Co. LLC (Summo), Lisbon Valley Copper Project, M/037/088 (UTU-72499), San Juan County, Utah

Dear Mr. Gochnour:

On December 10, 1997, the Board of Oil, Gas and Mining conditionally approved the form and amount of reclamation surety for Summo's Lisbon Valley Copper Project. The reclamation surety posted at the Division is a surety bond (# in the amount of $2,689,000 issued by United States Fidelity and Guaranty Company. The surety jointly lists the Division, U.S. Department of the Interior - BLM, and the School and Institutional Trust Lands Administration (SITLA). The Board's condition of approval required a listing of the members of the Lisbon Valley Copper Company Limited Liability Company (LLC). Summo notified the Division that Summo is the sole member of the LLC by fax on December 12, 1997. By this letter, the Division hereby grants its final approval of this project and the reclamation surety. This Division approval does not constitute approval by the BLM, SITLA or other pertinent state and federal agencies.

Copies of the executed Reclamation Contract and surety bond forms will be provided to you as soon as we receive the originals which have been routed for signatures. Enclosed are copies of the Articles of Organization of Lisbon Valley Mining Co. LLC and the membership list for your files.

Thank you for your help and patience in finalizing this permitting action. Please call me if you have any questions in this regard.

Sincerely,

Mary Ann Wright,
Associate Director of Mining

jb
Enclosures: Articles of Organization & membership list
cc: Bob Prescott, Summo
Opie Abeyta, BLM State Office w/encl
Lynn Jackson, BLM Moab Field Office w/encl
Dennis Fredericks, DWQ
Will Stokes, SITLA w/encl
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