JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

P/C
S/039/015
* file w/ surety

May 31, 2007

Bonneville Bank
P.O. Box 400
1675 North Second West
Provo, UT 84603-0400

Attention: Mr. Ryan Nielsen, Vice President, 801-374-9505, rnielsen@bnvlbnk.com

Subject: Reclamation Surety, Certificate of Deposit for William E. Day, Temple Strike Mine Site, S/039/015,Sanpete County, Utah

Certificate of Deposit Number ;Principal Amount $20,700.00

This letter describes the mutually agreed upon instructions of the below signed parties to Bonneville Bank ("Bank"), regarding the control, redemption, and release of Bank's above-described certificate of deposit ("CD"), which is being used as a surety to guarantee the availability of reclamation funds for the Temple Strike mine site, Sanpete County, Utah. It is the intention of the parties that the CD be utilized as surety to guarantee that $20.700.00 in reclamation funds will be available to the State of Utah, Division of Oil, Gas & Mining ("Division") upon demand in the event that the operator(s) of the Mine Site are unable or unwilling to complete reclamation of the mine site in compliance with applicable state law and regulations.

Ownership and Renewal:

Ownership of the CD is retained by William E. Day, an Individual, ("Owners"), but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining and is subject to the terms and conditions described in this agreement. The CD shall automatically renew indefinitely until either redeemed or released by the Director of the Division. The Division may request CD information on an occasional basis. This letter grants approval by William E. Day for the bank to provide CD information to the Division any time an inquiry is made via telephone, email, or letter.

☑ APPROVED

Redemption:

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of the Director of the Utah Division of Oil, Gas & Mining to the Bank. Upon the instruction and demand of the Director, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil, Gas and Mining. Owners agree and irrevocably instruct Bank that neither the Owner(s), nor any other person claiming an ownership interest in the CD which is derived from the Owners, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owners' control, or if Owners do not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division may redeem the CD.

Release:

The Bank shall release the CD only upon the written instruction of the Director of the Division to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owners, or their legal successors-in-interest. In the event of Bank cancellation/termination of the Certificate of Deposit, the Division may transfer the certificate of deposit monies into a state managed cash account to assure or complete reclamation if the Operator does not replace the Certificate of Deposit within the ninety days of Bank cancellation/termination notice. If the Bank is under a forced cancellation/termination, the Bank agrees to transfer or release the CD funds to a state managed cash account at the Division's request.

Accrued Interest:

Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner(s) as the Owner(s) may instruct the Bank, or 2) shall be reinvested in the CD until such time the Owner(s) may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial amount, $bank fills in here. All tax liabilities for accrued interest shall remain the sole responsibility of the Owners.

Bank will not be held liable for any dispute between the parties.

Agreed Upon By:

John R. Baza, Director
Utah Division of Oil, Gas & Mining

Date: 7/9/07

William E. Day, Individual
Social Security Number: _____

Date: 5-31-07

Ryan Nielsen, Vice President
Bonneville Bank

Date: 5-31-07

AFFIDAVIT OF QUALIFICATION OF BANK

On the 31 day of May, 20 07, J. Ryan Nielsen personally appeared before me, who being by me duly sworn did say that he/she, the said J. Ryan Nielsen is the Vice President of Bonneville Bank and duly acknowledged that said instrument was signed on behalf of said company by authority of its bylaws or a resolution of its board of directors and said J. Ryan Nielsen duly acknowledged to me that said company executed the same, and that he/she is duly authorized to execute and deliver the foregoing obligations; and that he/she as such officer, acknowledged said instrument to be the free act and deed of said bank for the uses and purposes of said instrument as set forth therein.

Signed: Michele Phillips
Bank Authorized Officer

Title: Executive Secretary

STATE OF Utah)
) ss:
COUNTY OF Utah)

Subscribed and sworn to before me this 31 day of May, 20 07.

Notary Public
Residing at: Provo, Utah

My Commission Expires:

March 14, 20 11

ROGER BJARNSON
NOTARY PUBLIC-STATE OF UTAH
1675 NORTH 200 WEST
PROVO, UTAH 84604
COMM. EXP. 3-14-2011