M/047/010

American Gilsonite Company
Bonanza Minesite
29950 South Bonanza Highway
Bonanza Utah 84008 • Phone (435) 789-1921 • Fax (435) 789-1956

February 9, 2004

Mr. Paul Baker
Reclamation Engineer
Division of Oil, Gas & Mining
Department of Natural Resources
State of Utah
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Dear Mr. Baker:

American Gilsonite Company's (AMGC) Reclamation Contract with the State of Utah, file number M/047/010, outlines "Disturbed Area" that AMGC is responsible for. The legal description of this disturbed area is referred to in Attachment "A". The County Roads referred to below are recorded as existing roads under RS2477. American Gilsonite Company therefore requests that the following items be released from our Disturbed Acreage list:

Roads

#3- County Road to Pump Station, SW1/4 Sec.16 T9S R25E, 1.4 acres
#4- County Road to Crush Plant, SW1/4 Sec.15 T9S R25E, 0.6 acres
#5- County Roads to Bins at Crush Plant, NW1/4 Sec.16 T9S R25E, 0.8 acres
#6- Pump Station to Highway 45 along Eureka Vein, NE1/4 Sec.17 T9S R25E, 11.2 acres
#7- Highway 45 to Eureka Vein near E-21, NE1/4 Sec.23 T9S R24E, 5.8 acres
#8- County Road to I-15 along Independent Vein, SE1/4 Sec.23 T9S R24E, 3.1 acres
#9- County Road to B-37 Site, NE1/4 Sec.20 T9S R24E, 2.5 acres
#10- County Road to B-42, SW1/4 Sec.16 T9S R24E, 1.4 acres
#12- County Road to LE-5, SE1/4 Sec.30 T9S R24E, 1.1 acres
#13- County Road to WH-12, NE1/4 Sec.27 T9S R24E, 2.3 acres
#14- County Road to Harrison Camp, SE1/4 Sec.15 T11S R24E, 3.7 acres
#15- County Road to H-10, SW1/4 Sec.6 T11S R24E, 2.8 acres
#17- County Road to PW-4, NW1/4 Sec.16 T11S R24E, 1.5 acres
#18- County Road to R-1, SW1/4 Sec.24 T11S R24E, 0.7 acres

Mine Sites

LE-4, T9S R24E, 1 acre- Released 5/24/00
H-1, T11S R24E, 1 acre- Released 12/8/98
R-3, T11S R24E, 1 acre- Released 5/24/00

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For Acreage Reduction

LE-19, LE-19, T9S R24E, 1+2 acres, 2.5 acres released 5/24/00, 0.5 acre remains.

Although items #6 and #7 under roads are not listed as County Roads, the county includes them as such and are recorded with the Uintah County Recorder's office as such. These roads are claimed by the county as part of resolution: No. 12-16-03-R3, entered the 16th Day of December, 2003. American Gilsonite Company cannot legally reclaim these roads.

In conjunction with this request, Uintah County Commissioner, Mr. Mike Haslem, has agreed to draft a letter to your office that verifies that these are county roads and will be maintained as such.

Should you have any questions regarding this request or need any additional information, please do not hesitate to contact me.

Best Regards

Clay Taylor

Clay Taylor

Senior Mine Engineer
American Gilsonite Company

CC: Earl R. White, Vice President of Operations