M/047/010
PIC

Mr. Paul B. Baker
State of Utah, Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

RECEIVED
JAN - 4 2006
DIV OF OIL GAS & MINING

January 3, 2006
Re: I-30 Gilsonite Mine Bonding Request

Dear Mr. Baker,

American Gilsonite Co. (AGC) would like to request permission to move equipment back onto our I-30 mine to start mining there again. AGC would like to request that the contingency on our reclamation bond be used for any additional bonding that may be needed to allow this to happen. As you mentioned, $3,800 is already included in our reclamation bond for I-30. If we can use the bond contingency for any additional funds that may be needed, that would speed up the bonding process to allow us to start mobilizing our equipment at the I-30 mine site sooner.

I have included a copy of the request letter I sent to the BLM to re-open I-30, and some maps of the area.

Best regards,

Jared Jackson
Senior Engineer
American Gilsonite Company

Cc: Dave Lewis, VP of Operations – AGC

Mr. Stan Perkes
Bureau of Land Management, Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

October 5, 2005
Re: Mining Request for Federal Gilsonite Lease UTU-78405 (I-30)

CERTIFIED MAIL – Return Receipt Requested

Dear Mr. Perkes,

American Gilsonite Co. (AGC) would like to request permission to start mining at I-30 again as soon as possible. A copy of the mining approval paperwork from the State was given to you during your last visit. AGC will of course commit to monitor for noxious weeds, fill in any unnecessary holes/trenches, etc. as with our other federal leases.

Please let us know if a right of way is needed for any part of the access road into the lease. The State reported that a right of way was not needed for them because the road existed before AGC obtained the lease.

Please let me know if you require any additional information on this matter. Please also let us know if we can begin to install bins, fans, etc. in preparation to begin mining this lease.

Best regards,

Jared Jackson
Senior Engineer
American Gilsonite Company

Cc: Dave Lewis, VP of Operations – AGC
Pete Sokolosky – Vernal Field Office – BLM