THIS BOND REPLACES LIBERTY BOND NO. 14-037-100

FORM MR-SUR

May 24, 2006

Bond Number
Surety NAIC No.
Permit Number M049 032
Mine Name EKINS EAST QUARRY

# ATTACHMENT A
To
RECLAMATION CONTRACT
BETWEEN PRINCIPAL AND DIVISION

RECEIVED
NOV 16 2006
DIV. OF OIL, GAS & MINING

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DEC 08 2006
DIV. OF OIL, GAS & MINING

**STATE OF UTAH**
DEPARTMENT OF NATURAL RESOURCES
**Division of Oil, Gas and Mining**
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

## THE UTAH MINED LAND RECLAMATION ACT

## SURETY BOND
**********

The undersigned STAKER & PARSON COMPANIES, as Principal, a CORPORATION organized under the laws of the State of UTAH and FIDELITY AND DEPOSIT COMPANY OF MARYLAND as Surety, a CORPORATION organized under the laws of the State of MARYLAND, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of Utah, Division of Oil, Gas and Mining ("Division") and N/A (other agency, if any) in the penal sum of TWENTY-NINE THOUSAND AND NO/100 dollars ($ 29,000.00).

This Surety Bond is provided to secure the obligations of the Principal, as set forth by the terms and conditions of the Reclamation Contract, and any addendums thereto, to reclaim lands that will be affected by mining operations as identified in the Notice of Intention received, or approved if applicable, by the Division on the 12th day of May, ~~20~~ 1999

The lands that are covered by this Surety Bond are the Lands Affected by mining operations as defined and described in the above Notice, and the Mining and Reclamation Plan if required, subject to terms and conditions of the Reclamation Contract.

The condition of this obligation is that if the Division determines that Principal has satisfactorily reclaimed the disturbed lands in accordance with the Mining and Reclamation Plan or Notice and has faithfully performed all requirements of the Mined Land Reclamation Act, and

☑ APPROVED

Bond Number
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complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect. Failure of the Principal to fulfill the obligations specified by the Mined Land Reclamation Act and the Rules adopted there under, and in accordance with the specification of the Principal's Mining and Reclamation Plan or Notice, may result in forfeiture of this bond in accordance with the applicable statutes and regulations.

If the Mining and Reclamation Plan or Notice provides for periodic partial reclamation of the lands affected, and if the lands are reclaimed in accordance with such Plan or Notice, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond. In the converse, if the Mining and Reclamation Plan or Notice provides for a gradual increase in the lands affected or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety. The amount of reclamation surety may also be adjusted as a result of a periodic review by the Division, which shall take into account inflation/deflation based upon an acceptable Costs Index, or at the request of the operator.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Written notice to the Division and Principal as required by this paragraph shall be provided by certified mail or by a courier service that provides proof of delivery by signature of the recipient. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

Surety is licensed to do business in Utah and is rated by A. M. Best as A- or better or rated as having Financial Performance Rating (FPR) of 8 or better, and is listed in the U. S. Department of Treasury's Circular "570." Upon incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, or upon failure to maintain the A. M. Best or FPR rating and listing on Circular "570", Principal shall be without adequate bond coverage as required by the Division and shall have 120 days after notice to replace the bond with other bonds acceptable to the Division. If the Principal does not replace this surety bond as required, the Division may order cessation of mining operations and commence actions to enforce its rights against the Surety. The Surety's liability shall continue and the Surety will remain fully liable for all reclamation obligations of the Principal incurred until this surety bond is forfeited, or the conditions of this obligation have been satisfied.

Bond Number 1
Surety NAIC No.
Permit Number
Mine Name EKINS EAST QUARRY

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

STAKER & PARSON COMPANIES
Principal (Permittee)

Doug B. Peterson CFO
By (Name and Title typed):

Signature

11/13/06
Date

**Surety Company**

FIDELITY AND DEPOSIT COMPANY OF MARYLAND
Surety Company Name

1400 AMERICAN LANE, TOWER ONE, 19TH FL.
Street Address

TINA DAVIS
Surety Company Officer

SCHAUMBURG, IL 60196
City, State, Zip

ATTORNEY-IN-FACT
Title/Position

801-533-3624
Phone Number

Signature

DECEMBER 8, 2006
Date

Bond Number _____
Surety NAIC No. _____
Permit Number _____
Mine Name EKINS EAST QUARRY

SO AGREED this _____ day of _____, 20 ____.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

_____
John R. Baza, Director
Utah State Division of Oil, Gas and Mining

*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

Bond Number [redacted]
Surety NAIC No. [redacted]
Permit Number
Mine Name EKINS EAST QUARRY

# AFFIDAVIT OF QUALIFICATION

On the 8TH day of DECEMBER, 20 06, TINA DAVIS personally appeared before me, who being by me duly sworn did say that he/she, the said TINA DAVIS is the ATTORNEY-IN-FACT of FIDELITY AND DEPOSIT COMPANY OF* 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 TINA DAVIS duly acknowledged to me that said company executed the same, and that he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertaking and obligations.
*MARYLAND

Signed: _____
Surety Officer

Title: TINA DAVIS, ATTORNEY-IN-FACT

STATE OF UTAH )
) ss:
COUNTY OF SALT LAKE )

Subscribed and sworn to before me this 8TH day of DECEMBER, 2006.

_____
Notary Public
Residing at: LAYTON, UT

My Commission Expires:

AUGUST 30, 2008.

NOTARY PUBLIC
MARCINDA DRYSDALE
277 East 1150 North
Layton, Utah 84041
My Commission Expires
August 30, 2008
STATE OF UTAH

# Power of Attorney
## FIDELITY AND DEPOSIT COMPANY OF MARYLAND

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by FRANK E. MARTIN JR., Vice President, and ERIC D. BARNES, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint **Tina DAVIS, Marcinda DRYSDALE and Derik STEVENSON, all of Salt Lake City, Utah, EACH** its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings**, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md., in their own proper persons. This power of attorney revokes that issued on behalf of Karen HONE, Tina DAVIS, Jace PEARSON, Vicki SORENSEN, dated June 13, 2005.

FOR YOUR PROTECTION READ CAREFULLY
FOR THE ZURICH AMERICAN

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI, Section 2, of the By-Laws of said Company, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 22nd day of August, A.D. 2005.

ATTEST: **FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

FIDELITY AND DEPOSIT COMPANY OF MARYLAND INCORPORATED 1890

By:

*Eric D. Barnes* *Assistant Secretary* *Frank E. Martin Jr.* *Vice President*

State of Maryland
City of Baltimore } ss:

On this 22nd day of August, A.D. 2005, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came FRANK E. MARTIN JR., Vice President, and ERIC D. BARNES, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself deposeth and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

MARIA D. ADAMSKI NOTARY PUBLIC BALTIMORE COUNTY, MD

*Maria D. Adamski* *Notary Public*
My Commission Expires: July 8, 2007