JON M. HUNTSMAN, JR.
Governor

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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

November 27, 2007

Coleen Hackwell, Financial Analyst
State of Utah
Office of State Treasurer
E315 State Capitol Complex
Post Office Box 142315
Salt Lake City, Utah 84114-2315

Subject: Authorization for Partial Release of Cash Deposit, Account number 8911951, Release Amount $8,500.00, Integrity Remodeling and Construction Inc., Preston Heston, S0490057, Utah County, Utah

Dear Ms. Hackwell,

Zions Bank is presently holding funds in the amount of $10,000.00, account number 8911951, for the benefit of the State of Utah, Division of Oil, Gas and Mining as a form of reclamation surety for Integrity Remodeling and Construction Inc., for their Preston Heston project.

The Division hereby requests the partial release of funds in the amount of $8,500.00. Please remit the funds directly to the Division, attention: Minerals Regulatory Program. The Division requires a balance of $1,500.00 until Operator meets all reclamation requirements.

If you have any questions or require further discussion regarding the content of this letter, please contact Jed Pearson, Surety Bonding Coordinator, telephone (801) 538-5382 or email JedPearson@utah.gov.

Sincerely,

Susan M. White

Susan M. White
Mining Coordinator

JRB:JP:be
cc: Integrity Remodeling and Construction , Inc. (13752 South 7300 West, Herriman, UT 84096)
Lynn Kunzler, OGM
Jed Pearson, OGM

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(Task # 2077)

Bond Release Findings (partial)

Mine Name: Palmer Helsten
Operator: Integrity Remodeling and Construction, Inc
13752 South 7300 West
Herriman, UT 84096

I.D. No.: S/049/0057
Mineral Ownership: Fee
Surface Ownership: Fee
Permit Approved: September 13, 2006

Disturbed Area: 5 *Acres*
Regraded: 5 acres
Reseeded: 5 acres

Acres Bonded: 5 acres
Acres Proposed for Partial Release: 5 acres
Acres Released:
Acres Remaining:

Surety
Amount: $10,000
Form: Cash – Acct. #
Amount Proposed for Release: $8,500
Amount Released: $8,500
Amount Remaining: $1,500

Setting and Premining Environment
This site is located approximately 5 miles south of Elberta, Utah, in Utah County. Prior to mining, the area was open rangeland (undeveloped) along the foothills of the tintic mountains. The area was relatively flat with no perennial drainages and less than 5% slope. Prior to a wildfire that burned through this area in 2005, the site was dominated by scattered sagebrush and cheatgrass. Even though the area had been seeded (fire mitigation), the vegetation prior to mining was virtually 100% cheatgrass.

Operations
This operation removed building stone (landscape rock) from the top 3-4 feet using a track hoe excavator and loading material into haul trucks. There was no surface facilities at this site. By November of 2006, the desirable rock had been removed and the entire site was reclaimed.

Reclamation
Reclamation consisted of regrading the site (left in a roughened condition to aid in water retention and erosion control) and seeding. The seed mix included a mix a grasses, forbs and shrubs desirable for grazing and wildlife habitat (the exact seed mix is unknown).

Mine Engineering

Public Safety: There are no high walls or other related surface hazards at the site. the area was regraded to approximate original contour (left in roughened condition as described above). There are no hazardous or deleterious materials on site.

Slopes and Highwalls: There are no highwalls or slopes greater than 4h:1v.

Hydrology

Drainages: There are no defined drainage channels on the permit area. Since regrading efforts left a roughened surface, the area is stable with no signs of erosion.
Dams, Impoundments, Trenches, and Pits: There are no dams, impoundments or pits left on the site
Roads: A pre-existing 2-track road to access the property remains on site.

Revegetation

Postmining landuse. The approved post mining land use for this area is grazing and wildlife habitat. Vegetation has established with includes sagebrush, rabbit brush, forage kochia intermediate wheatgrass, thickspike wheatgrass, and sunflower. Cheat grass has not re-invaded the seeded areas.

Revegetation: The area was seeded using broadcast seeding methods in November of 2006. desirable vegetation has established with a ground cover of 25-30% (desirable species) during the first season. Since this area is in the middle of a recent wildfire that burned hundreds of acres (in August of 2005), the premining vegetation cover (or the adjacent area) is not available. Outside the burned area, to the east is irrigated cropland, to the west is transition into a pinyon-juniper woodland (with a marked increase in slope). Currently the area is stable and desirable vegetation has established and would be expected to increase in density.

Recommendation
The entire mine site has been reclaimed. All reclamation work required has been completed. Retention of $1,500 for potential reseeding is considered adequate since desirable vegetation has already established on the reclaimed areas. It is therefore recommended that the Division approve the request for partial bond release in the amount of $8,500.

Note: The site was last inspected on November 1, 2007.

Permit Lead

November 21, 2007
Date

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