A & R LEASING
688 East Chad Ranch Road
Veyo, Utah 84782-4141
435-574-9300 Phone
435-574-9333 Fax

RECEIVED
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DIV. OF OIL, GAS & MINING

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January 26, 2005

STATE OF UTAH
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

Re: Annual Report of Mining Operations

Dear Sirs:

Enclosed please find our annual report for the year 2004. You will note a change of ownership as to the following mines:

MINE NUMBER	MINE NAME
S270026	Black Jewell Project
S450032	Allen Claims Project
S270027	Black Hills

We are enclosing copies of the quitclaim deeds changing ownership to A & R Leasing. Please change your records to reflect this change.

As to "Brown Sandstone and Cobble/Sandstone", we have not operated these mines for many years if at all.

Thank you for your assistance in this matter.

Sincerely,

Janine West

Janine West
Administration