STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

NORTHERN REGION, MAINTENANCE AND OPERATIONS

STEVE COWPER, GOVERNOR

2901 PEGER ROAD FAIRBANKS, ALASKA 99709-8394 PHONE: (907) 451-2200

May 21, 1990

Re: STIPULATIONS

Temporary Relocations

Tofty Road

Thomas W. **Sink** Sieh 333 Clay St., Suite 4550 Houston, Texas 77002

Dear Mr Siek: Sieh

The State of Alaska agrees to your proposal to temporarily relocate a portion of Tofty Road approximately 14 miles from the intersection with the Manley Hot Springs Road as shown on your sketch, dated March 13, 1989.

Work permitted will be as shown on your sketch or as stipulated below:

- 1. Shoreham Resources, Inc. will be required to post either a bond or security satisfactory to the State in the amount of \$15,000.00 for the purpose of ensuring that the disturbed portion of Tofty Road to be mined is replaced when the mining is completed. The security may also be used to correct deficiencies in the detour, if necessary.
- 2. The disturbed portion of Tofty Road will be restored to its original alignment and 18 foot width no later than July 31, 1993. A maximum of eight (8) percent grade will be allowed on the restored portion.
- 3. The embankment for the restored portion of Tofty Road will be constructed of either gravel from just above the bedrock or mining tailings which are not susceptible to frost heaving. The new embankment will have a minimum side slope of 1 1/2 to 1.
- 4. Culverts shall be installed where required to ensure ponding does not occur on the upstream side of the relocated road. At a minimum, one 24 inch culvert shall be installed in the relocated portion.
- 5. The minimum surface width of the detour shall be 18 feet. The radius of curves and width of road surface at curves shall be such that a legal length tractor/trailer can negotiate the

curves. The grade of the detour shall not exceed ten (10) percent.

- 6. Shoreham Resources, Inc. will be responsible for correcting any deficiencies (settlement, surface width, etc.) in the restored portion of the road for a period of one year after completion of the restoration.
- 7. Shoreham Resources, Inc. shall notify the State when the road has been restored so that the State may conduct inspections to ensure the stipulations have been met.
- 8. Surety will be released one year after completion of the final inspection, provided the stipulations have been met.

EHOREMAN RESOURCES, INC.
SHOREHAM

May 33 1990

BROKEHAM

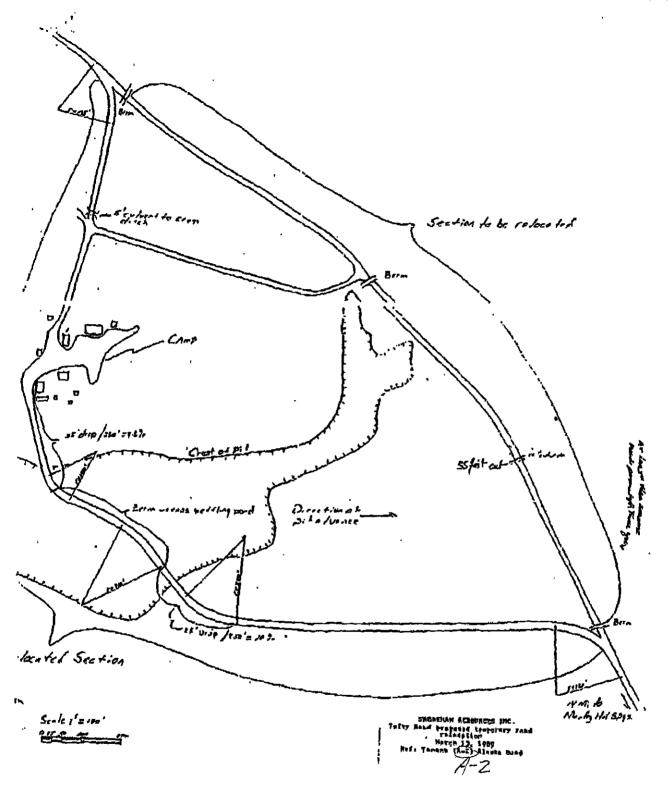
DATE

DON LOWELL, DIRECTOR
MAINTENANCE & OPERATIONS
DEPT. OF TRANSPORTATION & PUBLIC FACILITIES

/ge

cc: Douglas B. Colp, P.E. Registered Consulting Mining Engineer, 1101 Barnettte Street, Fairbanks, Ak 99701 Jack Phipps, Denali Area Manager

Attachment: Shoreham Resources Inc. sketch, dated March 13, 1989



Section 18 T3N, RIGW FM Sulbour Creek/ quartz Creek.