

Christopher F. Robinson

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January 16, 1998

Bryan T. Allen, Esq.
Parr, Waddoups, Gee, Brown, and Loveless
185 South State Street, Suite 1300
Salt Lake City, Utah 84111

Re: Skull Valley Land

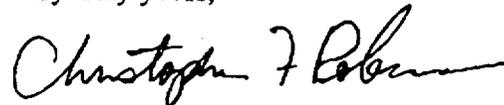
Dear Mr. Allen,

At your request, I have investigated the possible reduction of value of the 67,000 acres of land owned by Castle Rock Land and Livestock and Skull Valley Company located in Skull Valley (the "Skull Valley Land"), adjacent to the Goshute Indian Reservation. As evidenced by my attached resume, I have considerable experience in the buying, selling, and development of real property. It is my view, that the location of a nuclear storage facility adjacent to the Skull Valley Land will result in a significant diminution of value to these lands.

Skull Valley is a remote and beautiful place and this is part of its attraction. With the disruption and damage caused by construction, dust, increased traffic, public perception of danger, and actual danger caused by potential accidents related to the storage facility, the Skull Valley Land will no longer be attractive to developers and buyers interested in residential and commercial development. The land will be damaged and you will suffer significant economic harm.

In order to further understand this issue, I have discussed the matter with both Raymond S. Fletcher and Wallace W. Myers, two expert and certified appraisers (see attached qualifications and resumes). It is the view of both of these experts, that the location of the proposed nuclear storage facility adjacent to the Skull Valley Land will cause significant damage to the land and its economic value and opportunities. Due to the short time frame you are operating under, they are unable to complete an appraisal relating to this issue, but will be happy to do so in the future should the need arise.

Very truly yours,



Christopher F. Robinson

Enclosures

Christopher F. Robinson

RESUME

Education:

Honors B.A., University of Utah, Accountancy (and the equivalent of a minor in Spanish), 1986.

Experience:

1986-Present: Owner and Officer of several businesses principally owned or controlled by him and his brother and sister, principally in the fields of production agriculture (farming and beef cattle ranching), real estate (residential, recreational, and agricultural), investments (securities, startup companies, and venture lending), composite materials (filament wound and injection molded), and equipment manufacturing (filament winding). Chris has an extensive background in financial, investment, and tax matters.

1994-Present: Member of the Board of Directors of HealthRider, Inc.

1996: Chief Executive Officer and President of HealthRider, Inc., a \$250 Million a year, 1400 employee exercise equipment company. Instrumental in financial and personnel restructuring of the company and the subsequent sale of the company in August 1996 to Icon Health and Fitness.

Member of the Rotary Club of Salt Lake (Club 24) and the Alta Club (a prominent local business club)

Board of Director for the Utah Nature Conservancy.

Chris is an avid fly fisherman, is very involved in his church and loves the outdoors.

DEVELOPMENT EXPERIENCE OF CHRISTOPHER F. ROBINSON

Companies managed by Christopher F. Robinson have over 10 years of experience of developing land in subdivided and improved lots in the state of Utah. In the past few years, Chris, through his affiliated companies, has bought and sold more than \$60 Million of real estate.

A partial list of development projects includes the following:

A. Residential Developments:

North Cove Estates: 40 one to two acre lots in a gated private community located in Salt Lake City above the Utah State Capitol Building. North Cove Estates has become one of the premier developments in Salt Lake City with building lots selling for prices in excess of \$400,000. One lot remains in inventory. Responsible for entire development of lots, including obtaining city

approvals, installing and designing infrastructure, and marketing.

Capitol Hills Estates: 65 third to half acre lots located minutes from downtown Salt Lake City with prices ranging from \$125,000 to \$185,000. All lots have been sold. Responsible for entire development of lots, including obtaining city approvals, installing and designing infrastructure, and marketing.

Dorchester Pointe, P.U.D.: 40 lots located west of Ensign Peak in Salt Lake City. Plats were recorded in the Spring of 1997. Currently completing the infrastructure and marketing the lots. Lot prices range from \$110,000 to \$240,000 and approximately 50% of the lots have been sold.

Lake Point Project: Development plans currently being finalized for an approximately 4,500 acre project in the Lake Point area of Tooele County, including approximately 2,500 homes, 100 acres of commercial property, and a 700 industrial park.

B. Recreational Developments

Two Bear Ranch: Original developer of the Two Bear Ranch project located in the Uinta Mountains of Utah (in Summit County approximately 60 miles from Park City and Deer Valley). Began marketing of 38 lots located on 38,000 acres of land. Lots consisted of approximately 640 acres and were priced for approximately \$1,000,000 each. After obtaining 28 reservations in two weeks of pre-marketing, one of the excited reservation holders offered to, and eventually did, purchase the entire property.

Bear River Ranch: Currently in the process of obtaining subdivision approval from Summit County, Utah to place 24 lots on approximately 2,400 acres. The building envelope and fee title area of each lot will consist of approximately 10 acres with the remaining 2,100 acres to be common open space. This open space will consist of developed and undeveloped equestrian, hiking, and biking trails, fishing corridors, and other similar amenities. Property is vegetated with Lodgepole Pine and Quaking Aspen and contains numerous lakes and over one mile of frontage on the Bear River. Located approximately 90 minutes from Salt Lake City along Utah Scenic Byway Highway 150 and bordering the 2.6 Million acre Wasatch-Cache and Ashley National Forests. Lot prices are expected to be from \$350,000 to \$500,000.

C. Commercial/Industrial Development

Legacy Business Park: The Legacy Business Park is a master planned mixed use

commercial and industrial development to be located on approximately 460 acres in the city of North Salt Lake. Chris, in conjunction with his affiliate Center Street Company, L.C. and Barlow Nielsen Associates, is in the process of obtaining final approval for this business park. The park sits adjacent to the proposed Legacy Highway which is intended to become a major north-south highway along the Wasatch Front.

Northwood Business Center: This 45 acre business park is located in North Salt Lake and is currently selling one to five acre commercial/light industrial building lots. Improvements were completed during the Summer of 1997 and approximately 30% of the lots have been sold.

APPRAISER'S QUALIFICATIONS AND RESUME

Name: Raymond S. Fletcher, MAI

Address: [REDACTED]

Telephone: [REDACTED]

Education: MBA Degree — Harvard Graduate School of Business Administration
 BS Degree — University of Utah
 High School Diploma — Salt Lake City Public Schools

Business Experience: President: Fletcher-Lucas Investment Company.
 The company was established in 1923 and I have been active in the brokerage, selling, financing and appraising phases of the business since 1946.

Professional Affiliations: Member: Appraisal Institute with the MAI Designation.
 Awarded Life Member status December 10, 1991.
 Past President of the Utah Chapter.

 Past Broker Member and Director: Salt Lake Board of Realtors.

 Utah State Certified General Appraiser

Appraisal Experience: Continuous fee appraisal activities since 1954 including properties located in Utah, California, Idaho, Nevada, Wyoming, Montana and New Mexico.

 Qualified as an Expert Witness in District and Federal Courts in Utah.

 During the past 40 years, I have appraised all types of property including land, residences, multiple residences, condominiums, commercial and industrial properties.

 Past clients include almost all banks and mortgage companies in Salt Lake City as well as major oil companies, local and national corporations, numerous estates, several law firms and individual investors. Public entities served include Salt Lake City Corporation and its Redevelopment Agency, Salt Lake County Water Conservancy District, Utah Department of Social Services, University of Utah and West Valley City.

TYPICAL RECENT APPRAISAL ASSIGNMENTS

Type of Property	Client
Commercial Land and Building	D&RGW Railroad
72-unit Apartment	Washington Federal Savings
Distribution Warehouses	First Interstate Trust
Firestone Tire Store & Restaurant	Owner
Engineering and Research Office	Law Firm
Nursing and Rehabilitation Center	Owner
Mulligan's Golf & Games	Owner and Lender
Utah State Bar Office Building	State Bar Association
First Congregational Church	West One Bank
Serta Mattress Factory	West One Bank
No. 1 Fire Station Site	Salt Lake City Corporation
K-mart Store	Investor
Suburban Office Building	Owner
Office Building	RDA of Salt Lake City
Radisson Hotel	RTC Manager
Silver Creek Business Center	National City Bank, Minnesota
Water Line Easements	S. L. County Conservancy Dist.
Blanchard Metals Manufacturing	Owner
Immanuel Christian Church	Church
Beehive Credit Union Offices	Credit Union
Taylor Electric Office & Warehouse	Taylor Electric
Howe Rents (Commercial Rentals)	Owners
Texaco Gas & Wash	Lender and SBA
Fiesta Fun Golf & Rides, St. George	Capital City Bank and SBA
Alta Club (Private Club)	Members
Hamilton Tennis Club	Leucadia Corporation
Carleson Cadillac	RDA of Salt Lake City
Industrial Land, Magna, Utah	Southern Pacific Railroad
Four Large Commercial Properties	RDA of Salt Lake City
Brigham Street Inn	Owner and Lender
Bailey Firestone	West One Trust
Camera Den Store	First Interstate Trust
Research Park Land, University of Utah	University of Utah
Suburban Land	Utah Parks and Recreation
Hill Farm	Jones Waldo Law Firm
Novell Office Complex, Provo, Utah	Owners
WordPerfect Office Complex, Orem, Utah	Owners
Sweet Candy Factory	Owners
Motor Cargo Freight Terminal	Owners

QUALIFICATIONS OF WALLACE W. MYERS

Life-long resident of Salt Lake City, excepting periods during LDS mission and military service.

PRESENT POSITION -

Independent Fee Appraiser

MILITARY AND APPRAISAL EXPERIENCE -

Vietnam Veteran (1969 -1970)

Staff Appraiser for Western Savings & Loan, February 1972 to June 1974

Independent Fee Appraiser associated with Werner Kiepe and William L. Christensen June 1974 to April 1976

EDUCATION -

Salt Lake City Public Schools, graduating from East High School (1963)

Undergraduate and Graduate studies, University of Utah B.A., Marketing, 1968 -- M.B.A., 1971

Credited with the following courses:

Society of Real Estate Appraisers

Course 101 An Introduction to Appraising Real Property

Course 201 Principles of Income Property Appraising

Course 301 Special Applications of Appraisal Analysis

American Institute of Real Estate Appraisers

Course II Urban Properties Appraisal Application

Course IV Investment Analysis

BROKER'S LICENSE -

Active Utah Broker's License

MEMBERSHIPS/ASSOCIATIONS -

Member of the American Institute of Real Estate Appraisers MAI Designation, #5985. Now Appraisal Institute.

SERVICE ACTIVITIES

Society of Real Estate Appraisers, Chapter #41

Director, 1975 - 1979

Treasurer, 1979 - 1980

Young Advisory Council in Denver, Colorado, 1980

American Institute of Real Estate Appraisers, Chapter #28

Candidate's Guidance Chairman, 1979 - 1980
Admission Chairman, 1981 - 1982
Chapter President, 1983
Southwest Regional Conference Chairman, 1986

Board Member - Utah Association of Appraisers - 1991

Board Member - Utah Appraiser Registration and Certification Board - 1992-1995

CLIENTS - (A partial list)

Lenders

Bonneville Mortgage
Cal Fed Savings and Loan
Western Mortgage
Key Bank
United Savings

Attorneys

Spencer Snow
Thomas Crowther
Ken Cannon

PRIVATE CORPORATIONS

Machan Hampshire Properties
Wallace Associates
Terra Industries
Alder Construction

TYPES OF PROPERTIES APPRAISED

PUD

Warehouses
Industrial
Shopping Centers
Retail Outlets
Condominium Projects
Special Purpose Properties
Apartments
Office Buildings