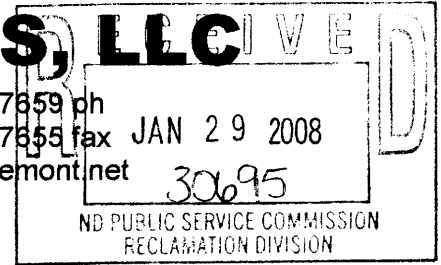


LEONARDITE PRODUCTS, LLC RECEIVED

1415 W Dakota Pkwy, Ste 3-B
PO Box 548
Williston, ND 58802-0548

(701) 572-7659 ph
(701) 572-7655 fax
marym@nemont.net



January 28, 2008

Public Service Commission
State of North Dakota
ATT: Jim Deutsch
600 East Blvd Ave; Dept 405
Bismarck, ND 58504

FROM DIRECTOR - RECLAMATION DIV.

Date: _____

Action: _____

Info. Only: _____

Info & File: _____

Dear Mr. Deutsch:

Leonardite Products, LLC is requesting the transfer of Mine Permit GRGR-0501. At the time of this application, it is the intent of Leonardite Products, LLC to continue with the mining plan that GeoResources, Inc. had intended.

Enclosed please find our application for transfer and a copy of our Certificate of Liability Insurance. Also enclosed is a copy of GeoResources Collateral Bond Agreement and Irrevocable Standby Letter of Credit GR#1 which will remain in effect until the transfer. We have also enclosed a letter from our bank and a copy of Leonardite Products Irrevocable Standby Letter of Credit LP#1 which guarantees our bond at the time of the permit transfer.

If you have any questions, please contact us.

Sincerely,

Rodney P. Smith
Managing Member

cc: GeoResources, Inc.