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November 1, 1993

CONFIRMATION OF TELECOPY

FAX: 359-3940

Mr. Joe Helfrich
Utah Division of Oil, Gas & Mining
3 Triad Center, Suite 350
355 West North Temple
Salt Lake City, Utah 84180-1203

Re: Belina Mine Complex
ACT/007/001-NOV 93-39-9-2, 1 of 2 and 2 of 2

Dear Joe:

This letter confirms today's telephone conversation with you between John Kirkham on behalf of Valley Camp of Utah, Inc. ("Valley Camp") and me on behalf of White Oak Mining and Construction Company, Inc. ("White Oak"). As John Kirkham indicated, pursuant to the terms of an Asset Purchase Agreement dated September 16, 1993, Valley Camp has designated White Oak as operator of the Belina Mine Complex, Permit No. ACT/007/001 under Utah Code Annotated 40-10-9(2). Consistent with that provision, White Oak has submitted to the Division an Application for Approval of Transfer, Assignment, or Sale of Permit No. ACT/007/001. The Transfer Application designates Mike Gipson as the resident agent for service. Valley Camp and White Oak would appreciate the Division's notification of Mr. Gipson regarding all enforcement activities and correspondence with the Division at the following address:

Mike Gipson
Mine Manager
White Oak Mining and Construction Company, Inc.
P. O. Box 60
Scofield Route
Helper, Utah 84526
(801) 448-9471

As we discussed earlier today, the Division has failed to notify White Oak directly regarding enforcement matters at the Belina Mine Complex. The Division's failure

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to contact White Oak is causing needless delay in the operator's response to pending enforcement actions. White Oak was notified only today of the above-entitled NOV's regarding an inspection occurring on October 14 and 15, 1993, concerning NOV's mailed October 22, 1993. This is of particular concern in that one of the NOV's set an abatement deadline of October 29, 1993.

Consistent with Valley Camp's designation of White Oak as operator of the Belina Mine Complex, please direct all future enforcement notices to Mike Gipson's attention on behalf of both White Oak and Valley Camp.

Very truly yours,



Denise A. Drago

DAD:kbj
cc: Scott Kiscaden
Todd Kiscaden
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