

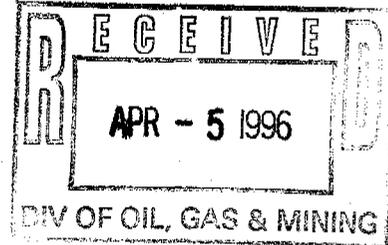
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**AMAX COAL HOLDING COMPANY**

9100 E. Mineral Circle  
Englewood, Colorado  
(303) 643-5000

April 4, 1996

Mr. James Carter, Director  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203



RE: Amax Coal Holding Company - Castle Gate Mine  
Permit No. ACT/007/004

*#2 Copy Done: Pan*

Dear Mr. Carter:

Amax Coal Holding Company is submitting the enclosed "Application for Approval of Transfer, Assignment, or Sale of Permit Rights Pursuant to R645-303-300" for transfer of the permit rights granted pursuant to the coal mining operations permit ACT/007/004. This transfer application is being submitted to reflect the change in corporate ownership and control of the mining operations as a result of the proposed stock and asset transfer from Amax Coal Company to Amax Coal Holding Company. The \$5.00 application filing fee is enclosed with this application. It is Cyprus Amax Mineral Company's intent to effectuate the stock and asset transfer by June 28, 1996. Allowing for the requisite public notice and comment periods, accomplishing the permit transfer by this date will require an expeditious review and approval of the application by your staff. Your assistance in accomplishing the requested permit transfers in an expeditious manner will be greatly appreciated.

As an introduction to the overall result of the proposed restructuring, the following briefly summarizes the process. The proposed restructuring involves a series of asset transfers (including permits, equipment and company stock) between various subsidiaries of Cyprus Amax Minerals Company. Although during the various steps of the process, different corporate entities will hold the permits, ultimate ownership and control of the mining operations will remain within Cyprus Amax Minerals Company. The various subsidiaries involved will have common officers and directors, thus perpetuating the same control relationships as presently exist. Also, control and supervision of the day-to-day operations will remain with the existing mine location personnel, excepting for normal personnel changes which occur in a dynamic organization. Upon completion of the restructuring process, a corporation named Amax Coal Company (although a different corporate entity from the present Amax Coal Company) will ultimately be the permittee under the mining permits again.

Should you have any questions concerning this matter, please contact Mr. James W. Buck of Buckridge Environmental Engineering, Inc. at (812) 858-9970.

Application Certification

I the undersigned, hereby certify that the material and information contained in this application for transfer of Permit ACT/007/004 are complete and correct to the best of my knowledge and belief.

Amax Coal Holding Company

By: Frank J. Wood

*dw* Name: Frank J. Wood  
Title: Vice President and Controller

State of Colorado  
County of Arapahoe

Subscribed and sworn to before me this 4th day of April, 1996.



Sharon Fetherhuff  
Notary Public

Residing at: 16233 E. Dorado Pl.  
Aurora, CO 80015

My Commission Expires: 2/17/2000

cc: M. Kegley - Cyprus Amax Minerals  
S. Fetherhuff - Cyprus Amax Minerals  
J. Pappas - Cyprus Plateau Mining  
J. Buck - Buckridge Environmental Eng.

**AMAX COAL COMPANY**  
9100 E. Mineral Circle  
Englewood, Colorado 80112  
(303) 643-5000

April 4, 1996

Mr. James Carter, Director  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

RE: Amax Coal Company - Castle Gate Mine  
Permit No. ACT/007/004

Dear Mr. Carter:

Please accept this letter as authorization on behalf of Amax Coal Company for the Division of Oil, Gas and Mining to transfer the above referenced mining permit from Amax Coal Company to Amax Coal Holding Company. The permit transfer is necessary due to the proposed stock and asset transfer from Amax Coal Company to Amax Coal Holding Company. The proposed stock and asset transfer is the first step in Cyprus Amax Minerals Company's restructuring of its coal business.

Should you have any questions concerning this matter, please contact Mr. James W. Buck of Buckridge Environmental Engineering, Inc. at (812) 858-9970.

I the undersigned, hereby certify that the above statements are true and correct to the best of my knowledge and belief.

Amax Coal Company

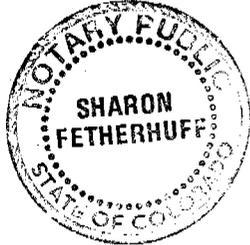
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