



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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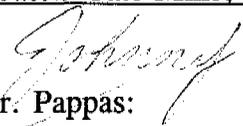
801-359-3940 (Fax)

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October 9, 1996

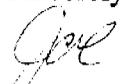
Johnny Pappas, Environmental Engineer
Amax Coal Holding Company
P.O. Drawer PMC
Price, Utah 84501

Re: Castle Gate/Willow Creek Permits, ACT/007/004, Amax Coal Holding Company,
Castle Gate Mine, Folder #2, Carbon County, Utah


Dear Mr. Pappas:

It is my understanding that your currently developing a proposal to remove the overlapping Castle Gate Permit Prep Plant area from the Willow Creek Permit. In as much as the Castle Gate Permit is clearly out of sync with the Willow Creek Permit, it is imperative that we complete this exercise as soon as possible. In lieu of previous verbal commitments to accomplish this exercise, I believe a commitment by your company to remove the Castle Gate Permit from the Willow Creek Permit by November 1, 1996, is appropriate. Please contact me or Paul Baker if you have any questions.

Sincerely,


Joseph C. Helfrich
Permit Supervisor

blb

cc: Daron Haddock
Paul Baker

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