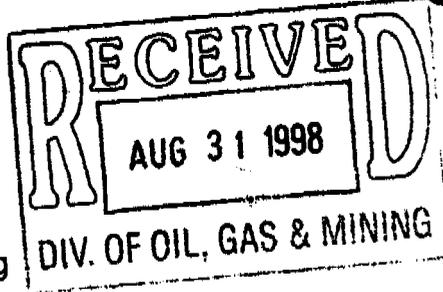


0009

August 27, 1998

Ms. Pamela Grubaugh-Littig
Division of Oil, Gas and Mining
1594 West North Temple
Suite 1210
Salt Lake City, Utah 84114-5801



BUCKRIDGE
Environmental
Engineering, Inc.

Engineers/Scientists

8344 Susan Court
Newburgh, IN 47630-3248
Telephone (812)858-9970
Facsimile (812)858-9985

RE: ~~Castle Gate Holding Company~~ - Castle Gate Mine
Permit No. ACT/007/004 - Replacement Bond Coverage

Dear Ms. Grubaugh-Littig:

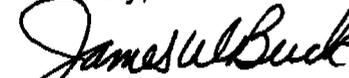
#4

Pursuant to R645-303-323, on behalf of Castle Gate Holding Company, Buckridge Environmental Engineering, Inc. is submitting the enclosed rider and endorsement for the one (1) bond currently posted by Amax Coal Company as performance bond coverage in support of Castle Gate Holding's pending application for transfer and assignment of the Castle Gate Mine permit. The enclosed General Purpose Rider is for Bond Number 929-80-55 issued by National Fire Insurance Company of Hartford. As you are aware, the permit transfer is being requested 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 Castle Gate Holding Company.

It is my understanding that the submittal of the enclosed reclamation bond completes the requirements for your department's approval of the transfer and assignment of the permit for the Castle Gate Mine. Your expeditious review of the enclosed bond and approval of Castle Gate Holding Company's application for transfer and assignment of the permit would be greatly appreciated.

Should you have any questions concerning this matter, please feel free to contact me the letterhead address or telephone number.

Sincerely,


James W. Buck, P.E.
President

Enclosures

cc: J. Greene - Cyprus Amax Minerals
J. Pappas - Cyprus Plateau Mining