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Glen A. Zumwalt
Vice President and
General Manager

*File: ACT/007/005
#3,7*



**Utah Fuel
Company**

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Subsidiary of
Coastal States
Energy Company

21 January 1986

RECEIVED

JAN 27 1986

**DIVISION OF OIL
GAS & MINING**

D. Wayne Hedberg
Permit Supervisor/
Reclamation Hydrologist
355 W. North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Operator Response to Conditional Approval for Removal
and Disposal of Sediments from Sedimentation Pond and
your January 15, 1986 memo.

Dear Mr. Hedberg:

We have received your January 15, 1986 letter which outlined recommen-
dations and conditions for acceptance of the design of the diversion
ditch located beneath the BC-12 conveyor.

This ditch was the subject of NOV N85-2-16-2 (2 of 2) which was
brought to assessment conference on January 15, 1986. During this
assessment conference the question was raised as to the validity
of using "UMC 817.72 Disposal of Underground Development Waste and
Excess Spoil: Valley Fills" regulations.

We feel it would be inappropriate for us to respond to your January
15, 1986 memo until the hearing officer rules on the proceedings of
the assessment conference.

Sincerely,

Glen A. Zumwalt
Vice-President/General Manager

GAZ:KZ:lm

cc: Lowell Braxton
Ken May
Tom Wright

XC: Kevin Yocum
Keith Welch
Keith Zobel