

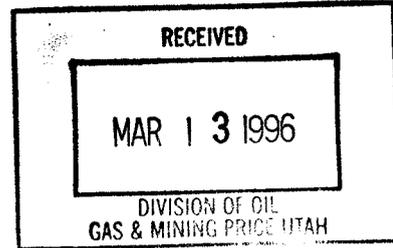
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**Coastal**  
The Energy People

13 March 1996

Mr. Stephen Denczak  
Department of Natural Resources  
Division Oil, Gas & Mining  
451 East 400 North  
Price, Utah 84501



Re: Sand Storage Location

Dear Mr. Demczak:

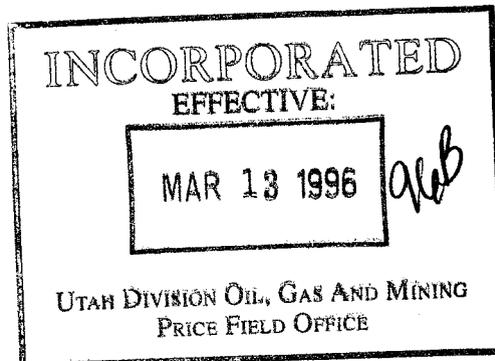
*007/005 #2*

Utah Fuel Company is requesting an amendment be made to our existing Mining and Reclamation Permit ACT 005/007. The amendment consists of adding a sand storage area next to coal storage area. Drawing number 3.2.1-1 has been updated with Revision 27 to show the location of the proposed area. The pile will be trapezoidal in shape nearly 40 feet at the head, around 30 feet at the base and nearly 100 feet in length and approximately 30 feet in height. Capacity of the pile will be about 5,000 tons. The sand will be used on used on minesite roads during the winter months. No structures will be erected to contain the sand pile and the bond figures will not be affected.

Your prompt approval amendment is appreciated.

Sincerely,

Ken Payne  
Vice President/General Manager



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**Utah Fuel Company**

A SUBSIDIARY OF THE COASTAL CORPORATION  
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