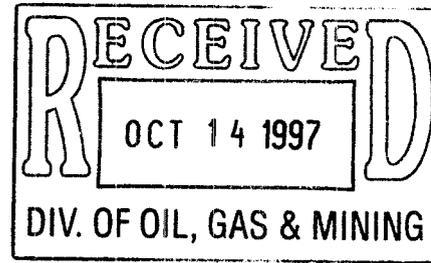


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Canyon Fuel Company, LLC
Skyline Mines
P.O. Box 719
Helper, Utah 84526
(801) 637-7925 Fax: (801) 636-2632



October 10, 1997

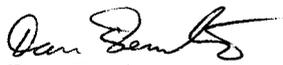
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

ACT/027/005 #6

To Whom It May Concern:

Attached is the certified 1997 third quarter report for the Scofield Waste Rock site. During the third quarter, 27,681 tons of material were deposited at the site. Samples of this material have been collected and laboratory analyses will be submitted with our 1997 annual report.

Sincerely,


Dan Ferriter



Canyon Fuel Company, LLC

Skyline Mines
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Helper, Utah 84526
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October 10, 1997

I, Carl Winters, certify that I inspected the Scofield Waste Rock Disposal site on September 30, 1997. Inspection of the site did not reveal any appearances of instability, structural weaknesses, or other hazardous conditions.

The portal yard sediment pond was recently cleaned out and the sediments were hauled to two pits constructed at the top of the waste rock pile. The pits contain minor amounts of water. Drainage ditches have been constructed to route the water to the sediment pond located at the base of the waste rock pile.

Minor cracks were detected in the topsoil cap at the top of the pile. The cracks are located on the southern end of the pile adjacent to the topsoil pile and appear to be confined to the topsoil cap. The cracks will be monitored during the fourth quarter.

As indicated in the previous report, a slide occurred in the pile during the second quarter of 1997. The slide was repaired and the face of the waste rock pile has been revegetated. DOGM personnel (Demczak, Davidson) reviewed the reconstruction of the waste rock pile during a September 4th inspection. Both gentlemen indicated that the repairs were satisfactory and that the pile was now stabilized.

Carl W. Winters
Registered Professional Engineer
No. 22-157958-2202

