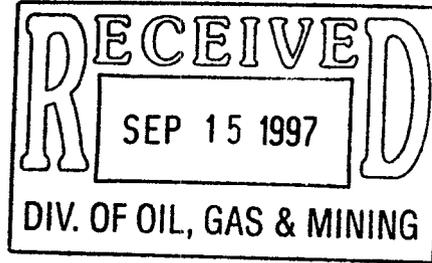




Canyon Fuel
Skyline Mines
P.O. Box 719
Helper, Utah 84526
(801) 637-7925 Fax: (801) 636-2632



September 11, 1997

ACT 1007/005 #7
SKYLINE

Mr. Daron Haddock
Coal Regulatory Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114

Dear Mr. Haddock:

As required by the Skyline Mines Permit, water monitoring was conducted during the second quarter of 1997. Data are attached for the sites that were sampled. If you have any questions, please call me at (801) 636-2669.

Sincerely,

Dan Ferriter