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Mine file (Plateau Star Point)
R.D. Smith (RB)
L.P. Braxton



Cyprus Plateau Mining Corporation
P.O. Drawer PMC
Price, Utah 84501
(801) 637-2875

October 6, 1989

RECEIVED
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Mr. Lowell Braxton
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

DIVISION OF
OIL, GAS & MINING

Re: U-North Subsidence Study

Dear Lowell:

I thought our meeting of Tuesday, October 3, was productive and more satisfying than the previous meeting. I appreciate your comments on invoicing and billing procedures. Rick is on target requesting some reporting on observations and data analysis. I would like to reassert my recommendation that Rick review the scope of work and develop a list of topics that he feels should be addressed.

We concur that a new weir should be installed near the discharge point. Ben confirms that the State may not be able to issue a discharge permit under current policy. A meeting date has been set to discuss that point. I do not believe Cecil should be wandering out there in the snow. The discharge point quality may be measured in the mine during inaccessible periods.

Concerning the amount of the invoice:

- a. Per my conversation with Ken May earlier, I did commit to fund the project up to \$60,000 in 1990, either through direct payments to outside contractors, materials, supplies, lab analysis, travel, and subsistence expense.
- b. I am not charging against that commitment for lab analyses, surveying, or internal labor that Cyprus Plateau is incurring, although the outside costs were originally intended to be.
- c. A portion of the \$60,000 is the helicopter and geologist consulting services that relate back to drilling the surface holes.
- d. The reason that I am asking for invoice back-up is typically the support asked of any consultant to release payment for services.
- e. I know the USGS is most likely charging for the geologist that we have already paid; Glenn Miller reimbursed Cyprus Plateau about \$1700; there remains about \$2129 that Cyprus Plateau covered directly.

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- f. Concerning the USGS' time allocation charges - \$30,108. You probably share my feeling on the accountability of that number. If their staff has allocated three days per month on the project, I would be amazed. The G.S. claims to have supported the project in excess of \$20,000 -- what has been achieved?
- g. I will willingly obtain the surveyor to map the dry reaches of the stream and the slides. The outside contractor only costs us \$45 per hour, including transportation. I ask myself, why am I giving the USGS \$60,000 for 1989, and at year-end I have to go out and hire this work to be accomplished.
- h. I felt uncomfortable about the terms used by the G.S.: "landslides" and "lots of water being discharged"; what is wrong with some measurements and plots. Ben and Steve have an idea of how much water is being discharged and we have analyzed the quality at our cost. The G.S. doesn't seem to know how much water is being lost to the mine, yet Ben and Steve seem to know.
- j. After the last meeting, the G.S. was going to provide input on location for drilling the underground hole -- around the first of August I finally picked the site.

I could go on and on concerning my observations, however, I would like to discuss with you, over the phone or in your office, where we need the project to go. I recommend the following for your consideration and feedback:

- 1. That I personally want to continue with and pursue the goals of the original scope of work.
- 2. That Rick perform the analysis as proposed previously.
- 3. That Rick prepare a scope of work that he expects Cyprus Plateau to accomplish.
- 4. That we, Cyprus Plateau and DOGM, give direction to the USGS on each detail of the project that is to be covered.
- 5. That we, Cyprus Plateau and DOGM, discuss what other aspects of the project that we could obtain through other sources.
- 6. That if we are not comfortable with results gained by the G.S. in the next several months, we pursue our objectives through another consultant.

Sincerely,



Robert G. Lauman
Manager, Technical Services

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