



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

July 25, 1990

RECEIVED
 AUG 02 1990

DIVISION OF
 OIL, GAS & MINING

Mr. Lowell Braxton
 Department of Natural Resources
 Division of Oil, Gas and Mining
 355 West North Temple, Suite 350
 Salt Lake City, UT 84180-1203

Act 1007/006
 #2

Dear Mr. Braxton:

Re: **USGS/DOGM/CPMC Ground Water Investigation MOA 90-2677**

In the last quarterly meeting, the USGS team said they desire the second surface drill hole in 1992. The USGS team believes this hole to be the final, important step in wrapping up the study; they also said funding from the USGS for this hole is questionable, and will not be decided until 1991.

The surface hole cannot be drilled and monitoring equipment installed until 1992, since mining in the area ends in late 1991. Since the study ends in 1993, very limited data, if any, will be obtained from the surface hole. CPMC's position on the surface hole is as follows:

1. If drilled in 1992 and the study ends in 1993, \$20,000 will not be put to beneficial use.
2. If drilled, and the study is extended, some data may be obtained.
3. The likelihood of water buildup in strata within a few years is unlikely. The dip of the strata at the Wattis Coal Seam is approximately South 20 degrees West at a slope of 2.5 percent. There is 2200 feet (down dip) of mined out area south of the drill hole location. South of our mine, thousands of acres have been mined in the same seam by U.S. Fuel Company. Ground water would have to build up in the mined out areas to the south before reaching the well area unless water is perched above the seam.

Mr. Lowell Braxton
July 25, 1990
Page Two

4. The drill hole will be located in the subsidence influence of both mined out coal seams. The 1989 subsidence survey indicated a surface drop of 4 feet in the area from mining the Wattis Seam, additional movement is expected after mining the Middle Seam.

A drill hole in the proposed area may be possible, but difficult drilling conditions including loss of circulation problems are anticipated. The estimated \$20,000 to complete the hole could be much higher.

Another factor will compound the drilling problems at the proposed location, the drill site is accessible by helicopter only for drilling equipment. If difficulties are encountered, getting additional equipment to the site will be very difficult and expensive.

5. If the USGS personnel still desire the surface hole at the original drill pad, CPMC will agree to fund up to \$10,000 towards the hole. Since the original agreement included a 50/50 matching of study funding, the current imbalance can be brought back closer to parity with this hole.
6. CPMC believes that a better use of its money would be to extend monitoring of the stream, springs and subsidence. The long term effects of subsidence might be determined by monitoring the stream flow and spring flows in the subsidence zone. Stream bottom and general strata healing (or self-sealing) can be determined by monitoring on the surface. Other alternatives might also be explored to monitor groundwater, such as more in-depth surface monitoring.

Please review these positions and let me know if a meeting with the USGS might be needed to discuss the project; it is time for a quarterly meeting anyway.

Respectfully,



Ben Grimes
Sr. Environmental Engineer

/sd

File: ENV 4-1-3
Chron: BG900725