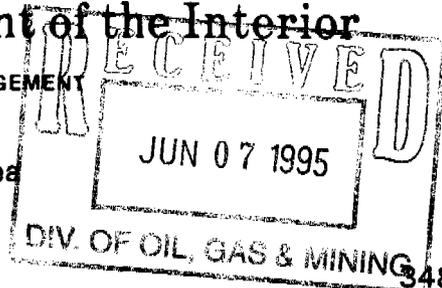




United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab District
Price River Resource Area
900 North 700 East
Price, Utah 84501



3482
SL-031286
U-13097
(UT-066)

CERTIFIED MAIL--Return Receipt Requested
Certification No. 118 951 469

JUN 05 1995

Mr. Tom Hurst
Mining Engineer
Cyprus Plateau Mining Corporation
P. O. Drawer PMC
Price, Utah 84501

*Route to Daron, Staff ?
New file ACT/1007006
#2*

Re: Resource Recovery and Protection Plan (R2P2) Modification, Retreat Mining of 3rd South Mains, Starpoint #2 Mine

Dear Mr. Hurst:

On May 8, 1995, the Bureau of Land Management (BLM) received from Cyprus Plateau, a request to begin retreat mining of the pillars in the 3rd South Mains. The subject area is in the Wattis Seam on Federal coal lease U-13097.

Cyprus intends to retreat mine the pillars in the 3rd South Mains after completing the last longwall panel serviced by the mains. Along with these main entry pillars, two additional pillar rows next to the east fault will be developed and pulled contingent upon the actual fault location. The justification for the proposal is increased recovery. Though the approved R2P2 states pillars in main entries will be mined depending on existing conditions, Cyprus has proposed specific plans for the area and requires approval.

The proposal meets the requirement of conservation of the resource as required by the Mineral Leasing Act of 1920 in that the last remnants of coal in the area will be mined. The last longwall panel accessed by 3rd South has been mined out. The 3rd South Mains have reached the southern limits of the minable coal due to the large rock split and cannot access other recoverable coal areas. In pulling the pillars of the 3rd South Mains, Cyprus will also attempt to mine extra coal between the entries and the east fault. We recognize the limitations to full recovery of the pillars due to safety concerns from the Mine Safety and Health Administration (MSHA), but encourage the maximum recovery of the coal within those safe limits. We also recognize that mining conditions could be adverse since the cover is relatively deep (1500 to 1800 feet) and that the area is bounded by a fault to the east and mined-out gob to the west. Having made these observations, we are in agreement with the proposal and encourage the maximum safe recovery of the coal from the remaining coal in the 3rd South Mains.

The BLM has determined that the proposed modification to the R2P2 is in compliance with the Mineral Leasing Act of 1920, as amended, the regulations at 43 CFR 3480, the lease terms and conditions, and will achieve maximum economic recovery of the Federal coal. Cyprus's proposal to extract the pillars in the 3rd South Mains is approval as submitted conditioned on approval from MSHA. A copy of the approved mine map is enclosed.

If you have any questions, please contact Stephen Falk or George Tetreault at 637-4584.

Sincerely,

/S/ DEAN NYFFELER

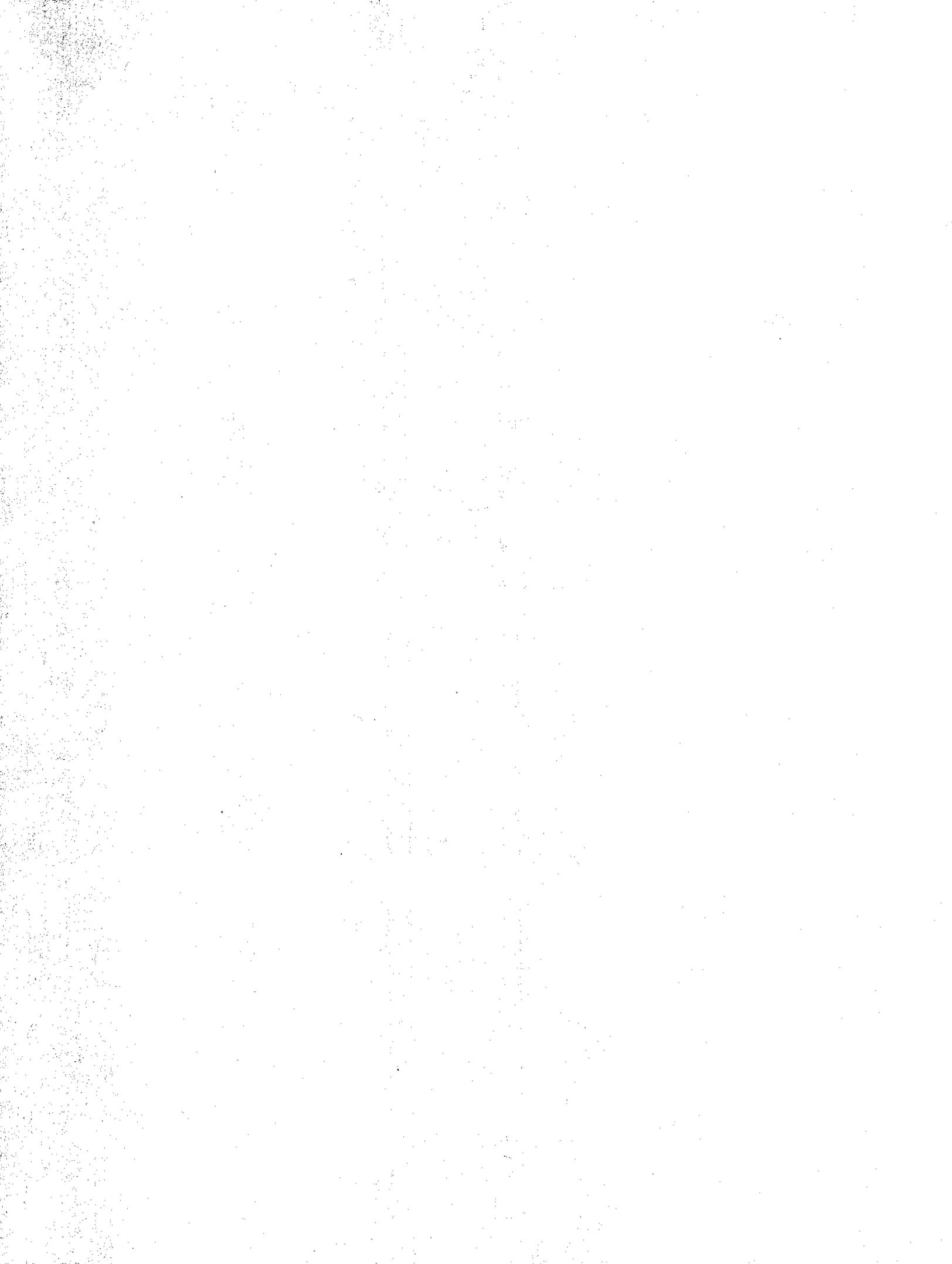
Area Manager

Acting

Enclosure

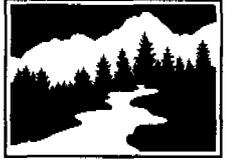
Approved Mine Map

cc: UT-921, SD, Utah (w/encl.)
Utah Division of Oil Gas and Mining
355 West North Temple Street
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203 (w/encl.)



STATE OF COLORADO

DIVISION OF MINERALS AND GEOLOGY
 Department of Natural Resources

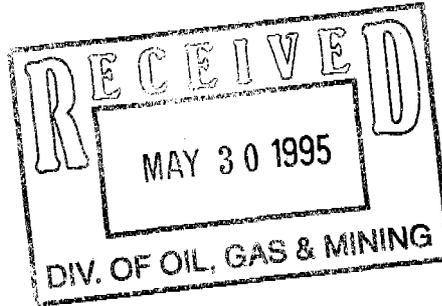
 1313 Sherman St., Room 215
 Denver, Colorado 80203
 Phone: (303) 866-3567
 FAX: (303) 832-8106

**DEPARTMENT OF
 NATURAL
 RESOURCES**

 Roy Romer
 Governor

 James S. Lochhead
 Executive Director

 Michael B. Long
 Division Director

May 25, 1995

 Division of Oil, Gas and Mining
 355 West North Temple
 3 Triad Center, Suite 350
 Salt Lake City, UT 84180

Re: Compliance Status Review for the Foidel Creek Mine
File No. C-82-056, Permit Revision No. 3

Dear Sir or Madam:

The Colorado Division of Minerals and Geology is currently evaluating an application for a coal mining permit revision (PR-03) for Twentymile Coal Company. As a part of our review of outstanding fines and/or penalties incurred by the applicant, we are contacting other state regulatory agencies who have issued permits and/or notices of violations to Cyprus Plateau Mining Corp.. The Utah Division of Oil, Gas and Mining was included in the applicant's "Identification of Interests and Statement of Compliance" sections of the permit application.

If any of the above companies or any of the attached owners, officers or directors are currently in violation, have had permits suspended or revoked, bonds forfeited, or currently owe your state money for fines, fees or civil penalties, and the applicant has not filed for administrative review, please notify our office immediately. If after fifteen (15) days we do not receive a response from you, we will presume that the applicant, owners and directors are in compliance with your state's program.

Please note that we do not need to receive a response unless unabated violations, suspensions, cease and desist orders, revocations, bond forfeitures, or outstanding fines, fees or civil penalties exist.

Thank you for your cooperation. If you have any questions, please contact me.

Sincerely,

 Kent A. Gorham
 Environmental Protection Specialist

KAG/bjw

Attachments

Certified Mail No. P 296 608 563

\BJW\FOIDEL

ACT/007/006 #2
 [Handwritten signature]