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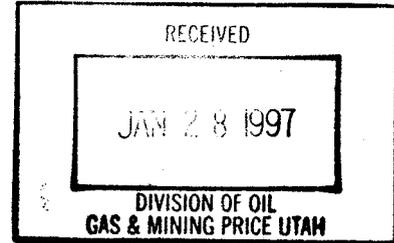


**CYPRUS PLATEAU
MINING CORPORATION**
A Cyprus Amax Company

Cyprus Plateau Mining Corporation
Post Office Drawer PMC
Price, Utah 84501
(801) 637-2875

January 27, 1997

Mr. Bill Malencik,
Utah Department of Natural Resources
Division of Oil, Gas and Mining
451 East 400 North
CEU Box 169
Price, Utah 84501-2699



RE: COVOL TECHNOLOGIES DRILLING

Dear Mr. Malencik,

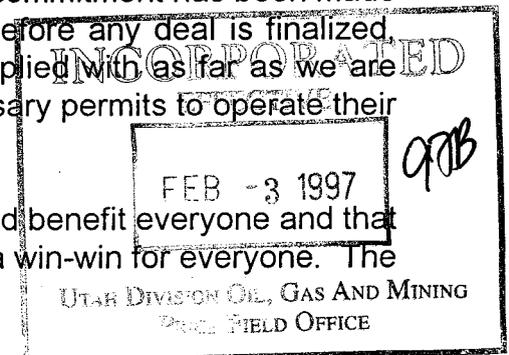
You asked for the locations of the drill holes proposed by COVOL, this letter responds to your request. The attached map shows the proposed drills locations numbered C1 through C12. These locations will depend to some degree on accessibility due to wet conditions. Since the pile is very wet from the heavy snow access is questionable. The locations of the holes may be relocated depending on access.

You also indicated that during drilling the Division may want refuse samples. This should not be a problem. We need to coordinate how the samples will be taken, at what depths you want them from and the details of your request.

All of the proposed drill holes are located within the active refuse pile or on the old refuse pile north of the main road near the clean coal piles. There would be no new disturbance and there is no chance of environmental harm from the drilling. We have taken many samples of the refuse material in the past in response to questions regarding selenium. The analyses of these samples can be found in the Star Point MRP and in the reports submitted to the Division regarding the selenium issue. Samples were taken at various depths in the pile to obtain a look at quality compared to time and depth.

To recap the COVOL drilling program, the intent is to obtain refuse samples to test for the potential for COVOL to use the material in their process. No commitment has been made yet for a permanent agreement with COVOL. Obviously before any deal is finalized, Cyprus would insure that the SMCRA regulations are complied with as far as we are concerned. COVOL would be responsible to obtain the necessary permits to operate their business.

We believe the use of the refuse for energy production would benefit everyone and that cooperation by the Division is essential to make the situation a win-win for everyone. The



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unresolved issues with the COVOL process, the royalty issue and the AML fee issue will need to be worked out. The proposed drilling should be allowed to proceed so everyone can get on with business.

If you need anything else please let me know as soon as possible.

Respectfully,



Ben Grimes

C: J. Pappas D. Ware

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