

0017



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340
(801) 359-3940 (Fax)

January 29, 1997

Ben Grimes
Project Engineer
Cyprus Plateau Mining
P.O. Drawer PMC
Price, Utah 84501

RE: COVOL Minor Exploration, Cyprus Plateau Mining, Star Point Mine, EXP/007/006-97B, Folder #3, Carbon County, Utah

Dear Mr. Grimes:

This is your approved exploration permit, effective February 3, 1997. The permit has been processed under the Utah Coal Law 40-10-8 and revised coal rules..

The permit is issued to Cyprus Plateau Mining Corporation. As I understand it, COVOL will act as your agent. It follows, Cyprus Plateau Mining Corporation is responsible to comply with the Utah Coal Rules and permit conditions specified herein.

Follow-up Action By Permittee

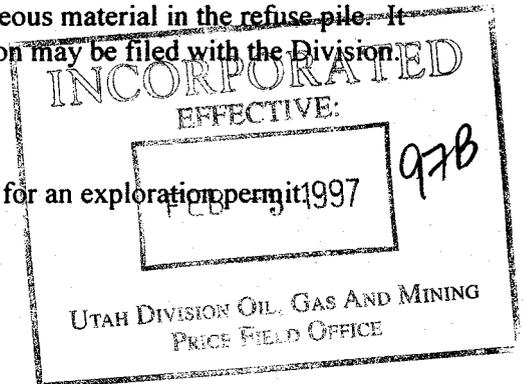
- Please notify and coordinate the start of drilling operation with Robert Davidson, Division Oil, Gas, & Mining This is necessary in order for the Division to secure samples from the drilling operation.
- Please notify the undersigned when this project has been completed.

Project Description

The drilling project concerns taking samples of the Cyprus Plateau Mining Corporation refuse pile to determine the amount, quality of combustible carbonaceous material in the refuse pile. It follows, if these data are favorable, a surface mining application may be filed with the Division.

Findings

- (1) The applicant submitted a completed and accurate application for an exploration permit 1997



Page 2
B. Grimes
Cyprus Plateau - 97B
January 29, 1997

- (2) The surface estate embracing the refuse pile is patented and federal. The Bureau of Land Management owns the mineral and surface estate below the refuse pile. The patented land is owned by Cyprus Plateau Mining Corporation. The refuse pile is owned by Cyprus. The drilling operation will only involve the refuse pile and not lands underneath the refuse pile.
- (3) The area included in the instant application is within the current Cyprus Plateau Mining Corporation disturbed Division of Oil, Gas, & Mining permit area.
- (4) Cyprus Plateau Mining Corporation is the applicant and COVOL, Russ Madsen, is the applicants representative who will be present at, and responsible for, conducting the exploration operation.
- (5) The letter size map show the exploration area and the general location of the 12 drill holes.
- (6) The exploration, as indicated in the January 13, 1997 transmittal letter, will be completed by February 28, 1997.
- (7) The applicant, in their application, described the method of exploration. It was mentioned that no site preparation would be necessary. The dry auger rubber tire drill rig will auger a O.D. hole approximately 8".
- (8) The current bond is adequate as related to this exploration project.
- (9) Since this project does not involve a water drilling method, no mud pits are required.

Condition to the Approval

As a condition to this approval, before commencing drilling operations, coordinate the start of drilling with Robert Davidson, Division of Oil, Gas, & Mining.

Sincerely,



Wm. J. Malencik
Reclamation Specialist

sd
enclosures
cc:

~~Ranvir Singh, OSM, Denver~~
~~Richard Manus, BLM, Price~~
~~Janette Kaiser, USFS, Price~~
~~Mark Page, Water Rights, Price, w/o enc~~
~~Dave Ariotti, DEQ, Price, w/o enc~~
~~Bill Bates, DWR, Price, w/o enc~~
Joe Helfrich, DOGM, SLC
Robert Davidson, DOGM, SLC, w/o enc

