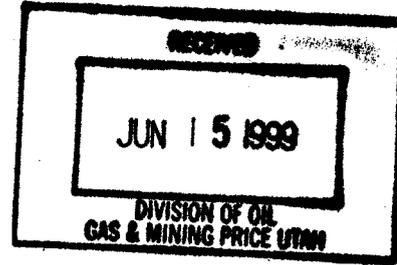




Willow Creek Mine  
847 Northwest Highway 191  
Helper, Utah 84526  
(435) 472-0475  
Fax: (435) 472-4780

June 8, 1999

Bill Malencik  
Utah Division of Oil, Gas and Mining  
c/o College of Eastern Utah  
451 East 400 North, Box 156  
Price, Utah 84501



RE: Ownership and Control, ACT/007/006, Cyprus Plateau Mining Corporation, Star Point Mine, Carbon County, Utah

#2 Copy From

Dear Mr. Malencik:

Cyprus Plateau Mining Corporation (CPMC) has hired an independent contractor to assist CPMC with the mining of its Star Point Mine. The contractor is just helping out because CPMC does not have the manpower to both recover Willow Creek and mine coal at Star Point.

The contractor is operating under CPMC's Permit and CPMC is still the operator and party that issued the reclamation bond, and it remains liable for reclamation. There is absolutely no ownership and control link under state or federal law between CPMC and the contract miner.

The existing use of a contractor is no different than when CPMC had Basic Management doing some contract mining at Star Point in 1997; or JS Redpath doing the graben crossing work in 1990-91; or when using a reclamation contractor such as Minchey Digging.

Therefore, CPMC does not believe that its must modify its ownership and control, but if the Division believes otherwise please specify its concerns and explain why this situation is different than any other contractor working at a mine.

If you have any questions or need additional information, please do not hesitate to contact me at (435) 472-4741.

Sincerely,

Johnny Pappas  
Sr. Environmental Engineer