

File ACT/007/007 #2  
C.C. B. Malenik

0020

**KAISER  
COAL**

**KAISER COAL CORPORATION**  
Sunnyside Coal Mines  
P.O. Box 10  
Sunnyside, Utah 84539  
Telephone (801) 888-4421

**RECEIVED**  
SEP 26 1988

DIVISION OF  
OIL, GAS & MINING

September 23, 1988

Mr. John Whitehead  
Utah Division of Oil Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

Re: Borrow Area Sediment Pond  
Construction Deadline Extension  
Permit No. ACT/007/007-88D  
Folder No. 2, Carbon County, Utah

Dear Mr. Whitehead:

Kaiser Coal Corporation requests that the Division consider extending the construction for the Borrow Area Sediment pond from September 30th to November 30th.

This request is made for the following reasons:

1. Kaiser Coal at Sunnyside is out of funds to continue mining. At this time the Division is completing a priority list of compliance issues and projects. This list is being developed to allow Kaiser's limited funds to be spent in the most beneficial area as determined by all parties. Until this list is finalized, it may be appropriate to delay project commitments.

2. Kaiser is awaiting Bankruptcy court approval to sell scrap and used equipment to generate funds for compliance work. A decision by the court is expected on September 29th.

3. Kaiser does not have any personnel to perform the work and therefore must use a contractor. Bid packages are being assembled for release next week.

4. Time is required to sell the used equipment and evaluate the bids. It is anticipated that this work could be completed by October 14th, assuming the court approves Kaiser's request to sell scrap.

We will keep you informed of progress for this project.

Please let me know if this request is acceptable to the Division.  
Thank you for consideration in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Bill".

William P. Balaz, Jr. P.E.  
Manager, Administration

cc: Lou Kuchinic Jr.  
Dr. Dianne Nielson  
Barbara Roberts, Esq.