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GENEVA STEEL

LYNN C. HART
ASSISTANT GENERAL COUNSEL

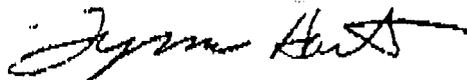
January 8, 1990

Kenneth R. Oldham, Esq.
Knutson, Brightwell & Reeves, P.C.
1200 Hudson Bay Centre
1600 Stout Street
Denver, CO 80202-3133

Dear Ken:

This letter will confirm that Geneva Steel intends to enter into agreements with Sunnyside Reclamation & Salvage ("SRS") which would allow SRS to mine coal from Geneva Steel's State of Utah Coal Lease ML-43715, and that SRS has the permission of Geneva Steel to conduct mine development operations on the land covered by the lease.

Very truly yours,



Lynn C. Hart

LCH:cn