

UNITED STATES FUEL COMPANY

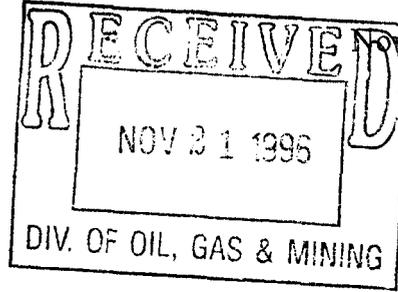
0006

340 HARDCRABBLE ROAD
HELPER, UTAH 84526



(801) 472-3372
FAX (801) 472-3384

James W. Carter
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801



November 19, 1996

Re: King Mines and other assets
Hiawatha Area
Carbon County, Utah

Dear Jim:

ACT 1007/011 # 2
Copy from

On Friday, November 15, 1996, United States Fuel Company terminated the Purchase and Sale Agreement (dated September 30, 1994) with American Fuel Corp. The affected United States Fuel Company assets are now available for acquisition by qualified purchasers.

Sincerely,

Michael P. Watson
President