



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

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August 27, 1999

Elliot Finley, President
Hiawatha Coal Company
P.O. Box 1202
Huntington, Utah 84528

Re: Midterm Review, Hiawatha Coal Company, Hiawatha Mine, ACT/007/011-MT99, File #2, Carbon County, Utah

The Division is required to review each active permit during its term, in accordance with R645-303-211. This review is to take place at the mid-point of the permit term (September 14, 1999 for the Hiawatha Mine) and will cover pertinent elements that have been selected for review. The Midterm Review for the Hiawatha Mine is now being conducted and the items chosen for review encompass the following:

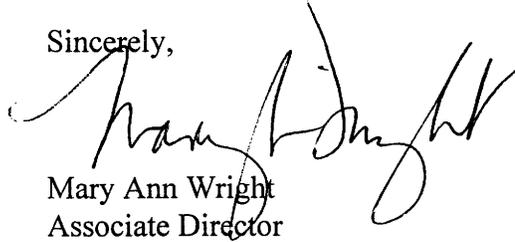
1. An AVS check to ensure that Ownership and Control information is current and correct.
2. A review of the Plan to ensure that the requirements of all permit conditions, division orders, notice of violation abatement plans, and permittee-initiated Plan changes are appropriately incorporated into the Plan document. This is especially important in light of the Division Orders that remain outstanding at Hiawatha.
3. A review of the applicable portions of the permit to ensure that the Plan contains commitments for application of the best technology currently available (BTCA) to prevent additional contributions of suspended solids to stream flows outside of the permit area.
4. The Division may conduct a technical site visit in conjunction with the assigned compliance inspector to document the status and effectiveness of operational, reclamation, and contemporaneous reclamation practices.

Any information that you would like us to review as part of the Midterm review must be submitted by September 14, 1999. Once the review has been conducted, you will be notified of any outstanding issues that need to be corrected.

Midterm Review
ACT/007/011-MT99
August 27, 1999
Page 2

If you have any questions regarding these requirements or the Midterm Review please don't hesitate to call.

Sincerely,



Mary Ann Wright
Associate Director

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cc: Paul Baker
Daron Haddock

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