



KAISER COAL CORPORATION
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OIL, GAS & MINING

August 16, 1989

Susan C. Linner
Permit Supervisor/Reclamation Biologist
State of Utah Natural Resources
Oil, Gas & Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

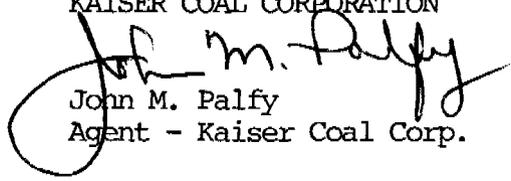
Dear Susan:

As I am sure you are already aware, the Kaiser Coal Corporation has sold its Wellington Preparation Plant Facilities to the Genwal Coal Co., Inc. on August 2, 1989. I also understand that permit transfer procedures are now in process.

I have transferred all of Kaiser's Wellington files, including monitoring and inspection information, to Genwal's foreman who is located at the site. I have been informed by Kaiser's attorney that, as of the close of sale, Genwal has assumed responsibility for all agency requirements at this facility. As a transition measure, I have given Genwal the names of the subcontractors which Kaiser has utilized to complete the agency requirements. However, I do not have any indication as to their direction in these matters. I am certain that a smooth transition will take place.

I am uncertain as to whether Kaiser must request an extension of time for permitting purposes to allow Genwal sufficient opportunity to submit required information. If this is the case, I would now like to make that request.

It has certainly been a great pleasure working with you and your Agency in obtaining the ultimate disposition of the Wellington Facility during the Bankruptcy process. If I can be of any further assistance, please do not hesitate to call.

Sincerely,
KAISER COAL CORPORATION

John M. Palfy
Agent - Kaiser Coal Corp.

JMP:mcs
cc: Harold Sandbeck - DOGM
Hal Lewis
Cassie Boggs
Denise Drago