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First Interstate Bank Bldg.  
80 West Main, Suite 201  
Price, Utah 84501

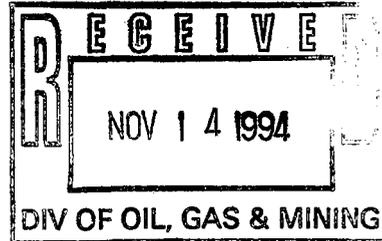
NICK SAMPINOS  
Attorney at Law

*Misc files Gordon ck 3:6  
27.58  
Hunt  
J Helfrich \*  
LPS  
4-2-94*

Telephone: (801) 637-8100  
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*15/04  
007/016*

November 9, 1994



State of Utah  
Division of Oil, Gas & Mining  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180

Attn: Lowell Braxton

RE: Beaver Creek Coal Company - Steve and Pete Stamatakis

Mr. Braxton:

This letter is submitted as a follow-up to our telephone conversation of Tuesday, November 8, 1994 regarding the concerns of certain of my clients with respect to the mining activities of Beaver Creek Coal Company in the Gordon Creek area of Carbon County, Utah.

Please be advised that my clients, Steve Stamatakis and Pete Stamatakis, brothers and residents of Carbon County, Utah, own approximately 2800 acres of mountain range land in the Beaver Creek drainage in Carbon County, Utah. A legal description of the land owned by my clients is attached herewith.

My clients have expressed concern to me on several occasions regarding their observations of certain perennial springs and at least one perennial stream that runs through their property. Over the past several years, my clients have noticed that the perennial springs and the stream (Beaver Creek) which runs through the property, have been very limited in flow. To my clients knowledge, the springs as well as Beaver Creek have historically produced much more water than is being currently produced. Please understand that my clients have been in the sheep ranching business for all of their adult lives and are very familiar with the topography of the subject parcel of land as well as the surrounding ranches.

It is my clients' belief that the mining activities of the Beaver Creek Coal Company may have extended beneath the surface of their land and that those activities may have created or caused a loss in perennial spring and stream production.

As I indicated, one of my clients had observed Scott Milovich working in the Gordon Creek area several weeks ago. He and Scott had a discussion regarding his concerns about the Beaver Creek Coal Company's operations. At that time Scott had indicated a

*to meet with his clients to discuss their specific concerns. Thank, LPS 12-2-94*

*Joe: Since this letter is not specific to a mine, I do not believe it constitutes a citizen complaint at this time. Please assign a number to your staff to address which Beaver Creek mine may be involved. After establishing this, please draft a letter for my signature to Mr. Sampinos' office.*

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Division of Oil, Gas & Mining  
November 9, 1994  
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willingness to at least investigate the concerns of my clients and to meet with them at a future time. In mentioning that scenario to you, you indicated that Scott had moved on to another job but that your office is still interested in responding to citizens' concerns.

By attaching herewith a copy of my clients' legal description, I am hopeful that your staff may be able to determine whether the mining activities of Beaver Creek Coal Company extended below the surface of my clients' land. If those mining operations do indeed extend below their surface, I would appreciate an opportunity to schedule a meeting with members of your staff on site to address my clients' concerns.

Additionally, with respect to the perennial stream that runs through my clients' property, the headwaters of that stream are situated on a neighboring ranch approximately a mile and a half to the west. It would be helpful to know whether the mining activities of Beaver Creek Coal Company extended to the west of my clients' property into the area where the headwaters of the Beaver Creek are located.

Again, I appreciate your attention to my clients' concerns. We will await a response. As I indicated, it may be helpful to meet on site as soon as possible if such a visit is warranted.

Thanks. I will await to hear from you.

Sincerely,

*Nick Sampinos*

Nick Sampinos

NS/nn

Enclosure

xc: Steve Stamatakis  
Pete Stamatakis

TOWNSHIP 13 SOUTH, RANGE 8 EAST, SLB&M

- Section 4: W 1/2; W 1/4 NE 1/4
- Section 5: W 1/2 NW 1/4; NW 1/4 SW 1/4; NE 1/4;  
E 1/2 SE 1/4; SW 1/4 SE 1/4; SE 1/4 SW 1/4
- Section 6: Lots 1 & 2; SE 1/4 NW 1/4; S 1/2 NE 1/4; S 1/2
- Section 7: Lots 1, 2, 3; E 1/2 SW 1/4; E 1/2 NW 1/4; SE 1/4; SE 1/4 NE 1/4
- Section 8: E 1/2 NW 1/4; SW 1/4 NW 1/4; NE 1/4; N 1/2 S 1/2;
- Section 9: NW 1/4
- Section 18: Lot 1; NE 1/4 NW 1/4

TOWNSHIP 12 SOUTH, RANGE 8 EAST, SLB&M

- Section 31: Lots 4, 5, 6  
EXCEPTING therefrom, all coal, oil, gas and other minerals from all parcels.

LESS:

- Beginning on the South line of the SW 1/4 of the NE 1/4 of Section 5 and the East boundary line of Utah Power & Light Company land at a point 2270 feet west, more or less, from the East one quarter corner of Section 5, T13S.R8E, SLM, and running thence North 22 deg. 37' West 1090 feet, more or less, to the West line of said SW 1/4 of the NE 1/4 and being 65 feet perpendicularly distant northeasterly from Utah Power & Light Company's Huntington-Spanish Fork 345 kV power line, thence North 338.3 feet along said West Boundary line, thence South 22 deg. 37' East 1455.8 feet, more or less to the South boundary line of said SW 1/4 of the NE 1/4, and being 195 feet perpendicularly distant northeasterly from Utah Power & Light Company's Huntington-Spanish Fork 345 kV power line, thence West 140.58 feet along said South boundary line to the point of beginning. Containing 3.8 acres, more or less.

ALSO LESS:

- Beginning on the east section line of Section 8 at a point 13.2 feet South, m/l from the East 1/4 corner of Section 8, T13S, R8E, SLBM, and running thence North 22 deg. 37' West 4288 feet, more or less, being 65 feet perpendicularly distant northeasterly from Utan Power and Light Company's Huntington-Spanish fork 345 kV power line, thence East 140.6 feet; thence South 22 deg. 37' East 4273.8 feet; m/l, to the South line of the SW 1/4 of the NW 1/4 of Section 9, and being 195 feet perpendicularly distant northeasterly from Utah Power & Light Company's Huntington-Spanish Fork 345 kV power line, thence West 135.1 feet; m/l along said South line to the West 1/4 corner of Section 9 to the point of beginning. Containing 12.76 acres, more or less.

Together with all of Grantors' interest in, and without warranties expressed or implied, to water rights evidenced by Water Users Claims Numbered 91-1905 through 91-1919, 91-1926 through 91-1931, 91-1941, 91-1943 through 91-1956, 91-1426 through 91-1450, 91-1452 through 91-1472, 91-1474 and 91-312.

Subject to a perpetual easement and right of way upon and across the above described property by existing roads and trails or any roads or trails which may be built in the future by property owner for ingress to and egress from the following described property in Carbon County, Utah.

- NE 1/4 SW 1/4 and Lot 3, Sec. 31, T12S R8E SLB&M; Lots 3 and 4, Sec 18, T13S R8E SLB&M; Lot 4, Sec 7, T13S R8E SLB&M