



DIVISION OF STATE LANDS
DEPARTMENT OF NATURAL RESOURCES
 ROOM 411 EMPIRE BUILDING
 231 EAST 400 SOUTH
 SALT LAKE CITY, UTAH 84111
 (801) 533-5381

Scott M. Matheson
Governor

Gordon E. Harmston
Executive Director
 Dept. of Natural Resources

William K. Dinehart
Director

January 22, 1979

CERTIFIED NO. 982713

Mr. Lewis F. Wells
 Geologist
 4935 Holladay Boulevard
 Salt Lake City, UT
 84117

Route & File
with L.F. Wells' Letter
for Intercoast's exp.
in both Grand & Carbon Co.'s.
NMF

JAN 23 1979
 EXP/019/014

JWS

Dear Mr. Wells:

RE: Notice of Intention to Commence Exploratory Drilling on Coal Leases in Grand and Carbon Counties by Intercoast Coal Company--December 29, 1978

I am in receipt of a copy of the above-referenced notice of intent filed with the Division of Oil, Gas, and Mining. Please be advised that our records indicate lease ownership by parties other than Intercoast Coal Company on the following leases:

- ML 29579-A -- Diversified Properties Corporation and Natural Mineral Resources Development Corporation of Delaware
- ML 35797 -- Mesa Verde Coal Partners

Intercoast Coal Company or its operator is prohibited from conducting coal exploration on properties covered by the above-numbered leases until such time as these leases may be placed in the name of Intercoast Coal Company through formal approved assignment. Also, please be advised that any mineral exploration conducted on State lands must be covered by a reclamation bond filed in the name of either the operator or the lessee of record.

The leases referred to in your notice of intent will require that the lessor be notified by the lessee prior to the commencement of operations. I am enclosing a summary of our notification requirements for your convenience in filing future notices of intent with the Division of State Lands. Please contact me should you have any questions.

Sincerely yours,

JOHN T. BLAKE
 ECONOMIC GEOGRAPHER

JTB/bp
 Enclosure

CC: ✓ Mike Thompson, Division of Oil, Gas, and Mining, 1588 West North Temple, Salt Lake City, UT 84116

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