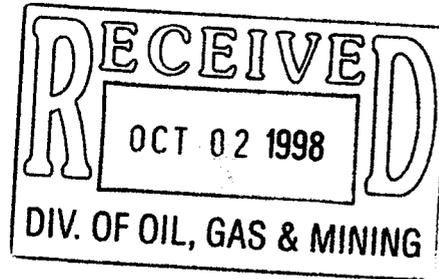


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Canyon Fuel Company, LLC
Soldier Canyon Mine
P.O. Box 1029
Wellington, Utah 84542
(801)637-6360 Fax: (801) 637-0108



September 30, 1998

Mr. Daron Haddock
Permit Supervisor
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

ACT/007/018 #7

RE: Second Quarter 1998 water monitoring report for Soldier Canyon and Dugout Canyon Mines

Dear Mr. Haddock:

As required by the Soldier Canyon and Dugout Canyon Mine permits, water monitoring was conducted during the second quarter of 1998. Data are attached for the sites which were visited.

If there are any further questions, please feel free to contact me at (801) 636-2890.

Sincerely,

SOLDIER CANYON MINE

Jarrold Porter

A handwritten signature in black ink, appearing to read 'Jarrod Porter', written over the typed name.

Engineers Assistant

cc: Chris Hansen, Skyline