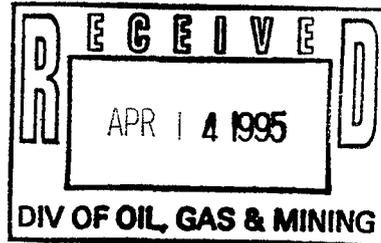


0020

Horizon Coal Corporation
P.O. Box 2560
Wise, VA 24293

April 12, 1995

Pamela Grubaugh Littig
UDOGM
355 West North Temple
3 Triad Center, Suite 350
S.L.C., Utah 84180-1203



Re: Transmittal of Horizon Coal Exploration Plan for 1995

EXP/007/020-95A

Pamela;

Enclosed please find a complimentary copy of the Horizon Coal Exploration plan which details plans to drill on lands lying within and adjacent to the Horizon Coal Mine Permit Land in Carbon County, Utah (formerly know as Blue Blaze). Per standard procedure, the official copy of this plan will be forward to you by the State BLM Office, we desire that you have a copy ASAP therefor we are sending this via Federal Express.

Please note the State Land "surface" in Section 17 on which we desire to drill one hole is administered by:

SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION
355 W. N. Temple
3 Triad Center
Suite 400
Salt Lake City, Utah 84180-1204

Please direct any questions regarding this application to either Greg Hunt @ Geo-Hunt consulting 303-660-9368, or Brad Bourquin 303-989-4242.

We look forward to your review and comments.

Sincerely,

Richard Gilliam
RGH

Richard Gilliam

cc: Brad Bourquin