

0016



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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October 8, 1997

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ACT/007/016

Nick Sampinos  
Attorney at Law  
First Interstate Bank Building  
80 West Main, Suite 201  
Price, Utah 84501

Dear Mr. Sampinos:

It was a pleasure meeting with your clients Steve and Pete Stamatakis on Friday, October 3, 1997. As we arranged, I and two hydrologists, Sharon Falvey and Dave Darby; a mining engineer, Jesse Kelley; Luci Malin, who has been working with the Coal Program on hydrology issues; and the Horizon mine inspector, Bill Malencik, met with your clients. Ms. Vicky Bailey, representing Horizon, and Mr. Dan Guy, representing Mountain States Coal Company, also joined us for the day. We had a map with us, which Mr. Kelley and Mr. Darby had been developing, which shows: mine areas by coal seam beneath Beaver Creek, the Stamatakis property boundary according to the description you supplied, the Horizon permit area and the proposed new coal lease area.

We made about 12 stops at which we viewed various items pointed out to us by Mr. Steve Stamatakis. Such items of interest were: flooded areas which Mr. Stamatakis stated had not previously been flooded; stream bank cutting; an old irrigation diversion cut in a hillside; slope slumping; a rotational embankment failure across the Beaver Creek road; an old irrigation diversion point on Beaver Creek; a Horizon Coal spring monitoring point; an old drill hole, making water; subsidence cracks in the south-facing hillside at Gordon Creek 2, 7 & 8; and an abandoned closed portal in Scofield, issuing water. We tried to view, but could not find, the sinkholes or slumping which were written up in the NRCS report of December 13, 1995. Some things that we viewed were on the Stamatakis property and some were not. Also, some items of concern were in areas which were undermined and some were not. We also observed sheep grazing and evidence of logging activity in the area.

Our plan, in order to be responsive to your clients' concerns, is to continue to analyze the data available to us and to make some findings based on field observations and hydrologic and engineering analyses. I do not at this time have a date when this will be completed because this is a complicated issue and we may use some unfamiliar computer software to help interpret the coal mining activity in relation to the hydrology. In the meantime, please feel free to call me if you have any questions. Again, I thank your clients for an informative day in the field and look forward to drawing on technology to make some meaningful findings about the area's hydrology.

Sincerely,

Mary Ann Wright  
Associate Director of Mining

10-8-97  
Copies Mailed to:  
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