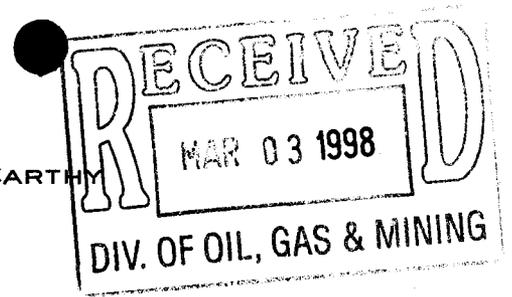


0054

LAW OFFICES OF
VAN COTT, BAGLEY, CORNWALL & MCCARTHY
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DENISE A. DRAGOO

DIRECT DIAL: (801) 237-0465
E-Mail: ddragoo@vancott.com

ADDRESS ALL CORRESPONDENCE TO
POST OFFICE BOX 45340
84145-0340

March 2, 1998

ACT/007/020 #2

N98-26-1-1

Pam

Joe

Vicki

Pamela Grubaugh-Littig
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114

**RE: HORIZON MINING, LLC -- PERMIT NO. ACT/007/020
NOV N98-26-1-1**

Dear Pam:

On behalf of Horizon Mining, LLC, we hereby appeal both the fact of the violation and the proposed penalty assessment for Notice of Violation N98-26-1-1 and hereby request an informal conference.

Please let me know if you need anything further concerning this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Denise A. Dragoo".

Denise A. Dragoo

DAD:jmc:146337

CC: Scott Kiscaden
Larry Jones
Vicky Bailey