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TO: **LOWELL BRAXTON**
FACSIMILE NUMBER: _____

TO: _____
FACSIMILE NUMBER: **359-3940**

FROM: **Denise A. Dragoo**

REMARKS:

RE: HORIZON MINING, LCC

Act 1003/020 #2
Copy Joe
Fax Bill @ PFS

ORIGINAL DOCUMENT: **Will be HAND DELIVERED**

CONFIRMATION No.: _____ NUMBER OF PAGES: _____
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DATE: **March 30, 1999** CLIENT/MATTER: **33999.0001**

PLEASE RETURN TO: **Julie McKenzie** PERSONAL FAX: **No**

REQUEST/ATTORNEY: **Denise A. Dragoo** DIRECT LINE: **801-237-1998**

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SALT LAKE CITY, UTAH

PHOENIX, ARIZONA

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IRVINE, CALIFORNIA

Denise A. Dragoo (801) 237-1998
Internet: ddragoo@swlaw.com

March 30, 1999

*Via Facsimile & Hand Delivery*Mr. Lowell Braxton
Director
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114**RE: February 25, 1999 Order - Horizon Mine Permit No. ACT/007020 -**

Dear Lowell:

As we discussed on March 29, 1999, Horizon Mining, LLC ("Horizon"), respectfully requests an extension of time in which to comply with the above-stated Order. As set forth in the enclosed Affidavit of Larry Gale Jones, Horizon has undertaken action to reduce the storage of high ash coal and mine waste. During the past 45 days, Horizon has blended between 5,000 and 6,500 tons of high ash coal with coal shipped to its customers. In addition, Horizon is storing coal waste underground to the maximum extent possible. Finally, Horizon is currently in negotiations with Cypress/Amox Coal Company for the shipment of high ash coal/waste rock to the Willow Creek Wash Plant. Horizon is also negotiating for the sale of the Horizon Mine to a third party operator. For these reasons, Horizon requests an additional 60-90 days in which to comply with the Order.

Please be aware that we have filed a request for review of the above-stated decision within the timeframe for Board review. However, Horizon continues to seek an amicable solution to this issue.

Very truly yours,



Denise A. Dragoo

DAD:jmc:79162

Enclosure

cc: Larry Jones
Mark Wayment

03/29/1999 15:26 4356139
03/29/99 15:34 FAX 801 237 1950

LARRY G JONES
SNELL & WILMER

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BEFORE THE BOARD OF OIL, GAS & MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

**IN THE MATTER OF
HORIZON MINING, LLC,
PERMIT NO. ACT/007/020,
CARBON COUNTY, UTAH**

) **AFFIDAVIT OF**
) **LARRY GALE JONES**
)
)
)
)

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

Larry Gale Jones testifies as follows:

1. I am over eighteen years of age, of sound mind and have personal knowledge of the matters involved in this affidavit.

2. I am employed by Horizon Mining, LLC, as the ^{V.P. MINING} ~~Mine Manager~~ at the Horizon Mine in Helper, Utah.

3. During the past 45 days, Horizon Mining, LLC ("Horizon"), has blended between 5,000 - 6,500 tons of high ash coal with coal shipped to its customers in accordance with the approved mining and reclamation plan ("MRP") for Mine Permit No. ACT/007/020.

4. Horizon is currently in negotiations with Cypress/Amax Coal Company for the sale and shipment of high ash coal to the Willow Creek Wash Plant.

03/29/1999 15:25 4356139
03/29/99 15:34 FAX 801 237 1950

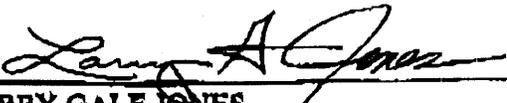
LARRY G JONES
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PAGE 03
003,003

5. Low ash coal, high ash coal and waste rock is currently stored on the Horizon Mine coal stockpile in accordance with Chapter 3 of the MRP as approved by the Division of Oil, Gas & Mining ("Division").

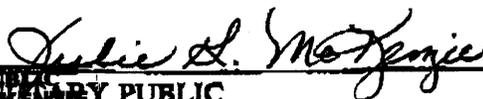
6. Chapter 3 of the MRP was revised by the Division, effective September 28, 1998, to remove the 500-ton cap on the amount of coal mine waste stored onsite at the Horizon Mine.

DATED this 29th day of March, 1999.



LARRY GALE JONES

SUBSCRIBED AND SWORN to before me this 29th day of March, 1999.




NOTARY PUBLIC
JULIE G. MCKENRY PUBLIC
111 E. Broadway, Ste. 900
Salt Lake City, Utah 84111
Commission Expires
May 23, 2001
STATE OF UTAH

Price Field Office
125 South 600 West
Price, Utah 84501

3482
UTU-74804
(UT-070)

Hand Delivered

Horizon Mining, LLC
c/o Denise A. Drago, Resident Agent
Snell and Wilmer
111 East Broadway, Suite 900
Salt Lake City, Utah 84111

MAR 29 1999

3/30
~~FAX PRO~~
Copy Joe, Dan
ACT/007/020 # 2

Order
Requirement to Provide Up-to-Date Mine Map, Horizon Mine

This order is issued pursuant to 43 CFR 3480.0-6(d) and is necessary for BLM's underground mining operation responsibilities. An up-to-date mine map is required to ascertain the location of mining relative to the existing lease boundaries at the Horizon Mine.

Pursuant to this order, Horizon Mining, LLC, is required to submit to this office a certified mine map meeting the requirements of 43 CFR 3482.3 (b) within 2 working days from receipt of this order. Failure to comply with this order will result in BLM taking action consistent with 43 CFR 3486.3.

If you have any questions, please contact Stephen Falk of my staff or myself at (435) 636-3600.

Alan Rabenoff
for Richard Manus
Field Manager

cc: UT-921
Horizon Mining, LLC
P.O. Box 599
Helper, Utah 84526
Utah Division of Oil Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

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