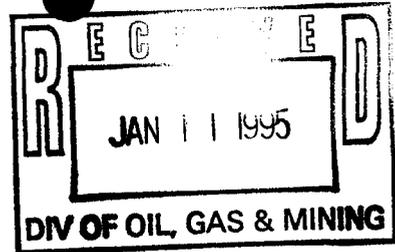


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ANDALEX
RESOURCES, INC.
Tower Division

P.O. BOX 902
PRICE, UTAH 84501
PHONE (801) 637-5385
TELECOPIER (801) 637-8860



January 6, 1995

State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Attn: Pamela Grubaugh-Littig, Permit Supervisor

re: Act 007/033, Wildcat Expansion

#2 & #5

*Copy Daron, Jrs
ad PAM*

Dear Ms. Littig:

This letter is to inform the Division that the expansion project at Wildcat Loadout has required fill material both for the stockpile pad and the truck loop road.

In addition to using the coal refuse material as outlined in our November 25, 1994, approval (in accordance with our approved MRP), if any additional fill material is required it will come only from an approved commercial fill site. If additional fill is required it will be tested for construction adequacy prior to its use.

Sincerely,

Michael W. Glasson
Senior Geologist