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cc: JWC, JPA, PBJ, BR, TAA, JLB
93
att: JLB

CALLISTER, DUNCAN & NEBEKER

A PROFESSIONAL CORPORATION

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LOUIS H. CALLISTER, SR.
(1904-1983)
PARNELL BLACK
(1897-1951)

July 28, 1993

TO CALL WRITER DIRECT

LOUIS H. CALLISTER	R. WILLIS ORTON
ADAM M. DUNCAN	GEORGE E. HARRIS, JR.†
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RANDALL D. BENSON	

†ALSO MEMBER ARIZONA BAR
‡ALSO MEMBER FLORIDA BAR
§ALSO MEMBER MISSOURI BAR
¶ALSO MEMBER CALIFORNIA BAR
§MEMBER CALIFORNIA BAR ONLY

HAND DELIVERED

Mr. James W. Carter
Director
Division of Oil, Gas and Mining
3 Triad Center - Suite 350
Salt Lake City, Utah 84180-123

RE: SCA Permit ACT/007/035 #7

Dear Jim:

In May of this year, Eckhoff, Watson and Preator, SCA consultants for DOGM permit requirements, requested your officer for approval of interim storage areas for the course refuse coming from the Sunnyside Coal Mine wash plant. These areas were requested to coordinate the storage of new refuse with the removal for fuel purposes at the plant.

Enclosed please find two letters from Savage Industries Inc, discussing the problem that our operator, Savage, is having in following the mining plan that is included in our permit. The alternative sights would alleviate any potential interference between the mine crews and our crews.

Without the approval of the alternative sites, we will have to stop the mine from using haulage roads in order to remove refuse that is needed and has regulatory approval for removal for fuel burning purposes.

If you could check with your staff to see what could be done to avoid this potential conflict, we would greatly appreciate it. It is my understanding that we have a meeting with you and your staff on the operating permit issues tomorrow. Although it is very short notice, I

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DIVISION OF
OIL GAS & MINING

Mr. James Carter
July 28, 1993
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would hope that we can resolve the issue of alternative storage areas tomorrow.

Sincerely yours,

CALLISTER, DUNCAN & NEBEKER

Fred W. Finlinson
Fred W. Finlinson



Savage
INDUSTRIES INC.

5250 South 300 West
Suite 200
Salt Lake City, Utah 84107
(801) 263-9400
FAX (801) 261-8766

July 27, 1993

Mr. Allen Adkins
Parsons Main, Inc.
P.O. Box 174
Sunnyside, Utah 84539

Dear Allen:

In reference to my letter to you dated July 23, 1993, on fuel supply, we have had to change again. The only place we can recover the coarse reject material is in the close proximity to drill hole 92-1. This puts us in the area of year one -- month one and out of the way of the mine trucks, which are currently driving over the specific area of year one -- month one that we should be able to dig in.

Until the permit is approved to allow the mine to dispose of their coarse refuse in the alternate areas, the area we are currently digging in is our only option. We cannot follow the J.T. Boyd's recovery plan without interfering with the current mine haulage routes.

Sincerely,

A handwritten signature in cursive script that reads "Jerry Carter". The signature is written in black ink and is positioned above the typed name.

Jerry Carter
Operation Manager

cc: Fred Finlinson ✓
James T. Jensen
C. Fred Busch

/ag



Savage
INDUSTRIES INC.

5250 South 300 West
Suite 200
Salt Lake City, Utah 84107
(801) 263-9400
FAX (801) 261-8766

July 23, 1993

Mr. Allen Adkins
Parsons Main, Inc.
P.O. Box 174
Sunnyside, Utah 84539

Dear Allen:

Savage is not able to follow the mine plan as prepared by J.T. Boyd Company on the refuse side, because the permit for the mine to dump their current refuse into one of the three proposed areas has not been approved by DOGM.

Savage proposes the following:

We have sampled three areas on the top of the pile close to drill holes 92-7, 91-10 and 92-1. We propose to put the highest BTU refuse into #3 silo. We then propose to continue to dig in 3 areas; #1, the dike separating the east and west slurry cell; #2 the dig north and south along the upper road from the bottom of the west cell; and #3, begin to dig the Tonka road out. All three areas have been about 5,000 BTU, and we would propose to put this in silo #2.

These proposals would then give you the ability to blend from three silos, or a three part blend to get the best fuel available under current conditions.

Because of our inability to follow the mine plan of J.T. Boyd, we need a decision as to how to proceed on your refuse supply by Tuesday, July 27, 1993.

Sincerely,

A handwritten signature in black ink, appearing to read "G. H. Carter", with a long horizontal flourish extending to the right.

G. H. Carter

cc: C. Fred Busch
Jim Jensen
Fred Finlinson ✓