

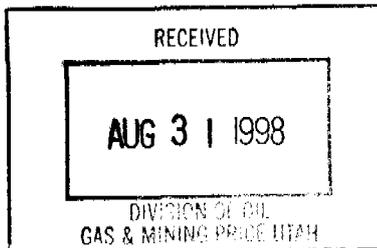


August 21, 1998

PSOMAS

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ACT/007/035

RE: ACT/007/035 Drilling Activities

Dear Bill,

As we have discussed, Sunnyside Cogeneration Associates ("SCA") intends to allow a contractor to carry out a limited drilling and sampling program on behalf of a third party conducting due diligence activities at SCA's mine reclamation site. The proposed drilling activity would include four to eight boreholes varying in depth from approximately 20 to 75 feet. Attached is a simplified site map which identifies the four approximate areas where this drilling is planned. #2

Similar drilling has occurred on the site in the past and can be anticipated to occur periodically in the future. I have attached some excerpts from the approved permit text which identifies some of the specific requirements applicable to site drilling activities. The proposed drilling activity will conform to the requirements outlined in SCA's current reclamation plan and will comply with the applicable coal regulations.

From an environmental perspective, the intended drilling activities should not have an environmental impact to the area. All of the boreholes will be located within existing disturbed areas; no additional roadways will be needed to access the drilling locations; no additional topsoil will need to be salvaged; and the approved drainage system will continue to meet hydrologic conditions.

In consideration of this information, it is our opinion that the proposed drilling activity can be accommodated under the existing reclamation plan and a formal amendment would not be required.

SCA has been requested to proceed with this drilling activity as early as next Wednesday, August 26, 1998, therefore, please advise your concurrence on this matter as soon as possible.

If you have any questions, please feel free to contact me at (801) 270-5777 or Rusty Netz at (435) 888-4476.

Sincerely,

S. Scott Carlson, P.E.
Project Manager

cc: Joe Helfrich, DOGM SLC
R Netz, SCA
D. Burnham, B&W Sunnyside

Engineers
Surveyors
Planners

Costa Mesa
Los Angeles
Riverside
Sacramento
Santa Monica
Las Vegas, NV
Salt Lake City, UT

631 CASING AND SEALING OF EXPLORATION HOLES AND BOREHOLES

Casing and sealing of exploration holes and bore holes will follow the procedures discussed below in sections 631.100-200.

631.100-200 Temporary and Permanent Casing and Sealing of Drilled and Exploration Holes

Exploration boreholes that are drilled on or within the coal mine waste stockpiles for the purposes of determining the thickness of the coal mine waste, or the suitability of the coal mine waste for use in the cogeneration plant, will be plugged, capped, sealed or backfilled in accordance with R645-301-631.

Groundwater monitoring wells that may be utilized within the permit area will be drilled and installed by a driller licensed in the state of Utah. Procedures and materials used to drill and install the groundwater monitoring wells will be in accordance with the state of Utah Administrative Rules for Water Well Drillers (July 15, 1987) Appendix I, Monitor Well Installation Guidelines, (see Appendix 6-4). Abandonment and sealing of groundwater monitoring wells will also be in accordance with Rule 12 of the Utah rules (Appendix 6-4).

640 PERFORMANCE STANDARDS

641 CASING AND SEALING OF EXPLORATION HOLES AND BOREHOLES

The methods of sealing and casing of boreholes are discussed in sections R645-301-631.100 and R645-301-631.200.

731.400 Transfer of Wells

.... There has been significant drilling exploration of the SCA Permit Area. These drill holes will be sealed in a manner appropriate for the environment and for the proposed excavation activities. ...

A monitor well was installed at the toe of the refuse pile in accordance with a Permit from the State Engineer in accordance with the exploratory drilling program detailed in Appendix 6-5. All monitoring inspections, to date, at the well have found it dry.

748 WELL CASING AND SEALING

Groundwater monitoring wells that may be utilized within the SCA Permit Area will be drilled and installed by a driller licensed in the State of Utah. Procedures and materials used to drill and install the groundwater monitoring wells will be in accordance with the State of Utah Administrative Rules and Water Well Drillers (July 15, 1987) Appendix I, Monitor Well Installation Guidelines. Abandonment and sealing of groundwater monitoring wells will also be in accordance with Rule 12 of the Utah rules. ...

Exploration boreholes that are drilled on or within the refuse pile for the purposes of determining the thickness of the coal mine waste, or the suitability of the coal mine waste for use in the cogeneration plant, will not be sealed through the interval within the refuse pile. However, intervals of native soil or bedrock that are penetrated by exploration boreholes will be sealed with bentonite or other suitable grout in accordance with Utah Administrative Rules for Water Well Drillers (July 15, 1987), Rule 12.

760 RECLAMATION

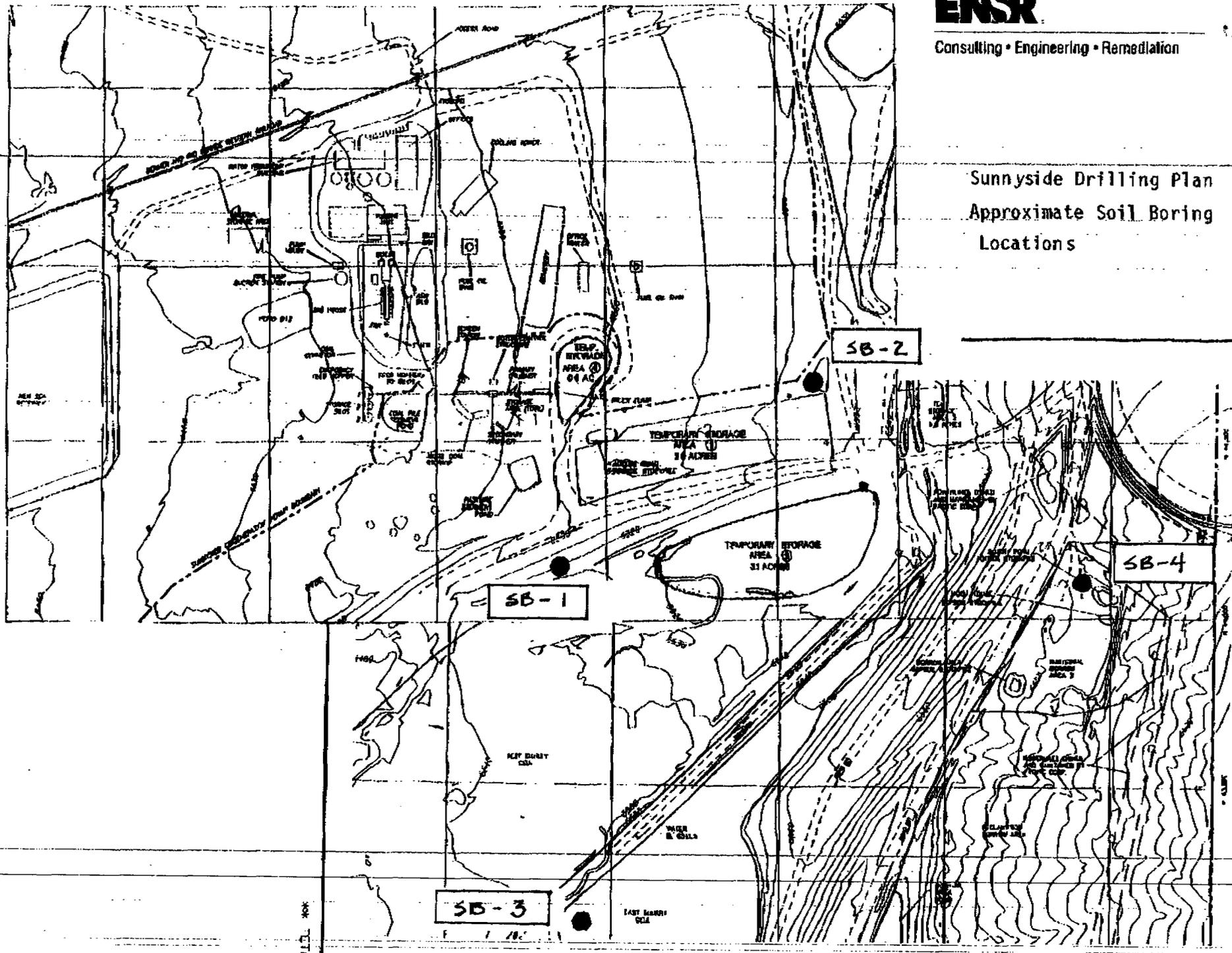
761 GENERAL REQUIREMENTS

See Chapter Nine, Mine Plan for details on contemporaneous reclamation. See Chapter Ten, Reclamation Plan for details on final reclamation.

765 PERMANENT CASING AND SEALING OF WELLS

Any type of existing drill hole will be appropriately cased and sealed, or back filled during the reclamation process.

Sunnyside Drilling Plan
 Approximate Soil Boring Locations



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TOTAL P.05

SEE TOTAL PAGE 05



DATE	BY	CHKD	APP'D	PROJECT NO.	SCALE
				ENSR	AS SHOWN
				DESIGNED BY	DATE
				PLANNED BY	DATE
				CHECKED BY	DATE
				APPROVED BY	DATE



Eckhoff, Watson & Picotier
 ENGINEERING

SURFACE FACILITIES

SUNNYSIDE COGENERATION ASSOCIATION
 REMEDIATION AND RESTORATION PROGRAM