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007/038 #2

TerraMatrix

April 9, 1996

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DIV OF OIL, GAS & MINING

Mr. Daron Haddock
Permits Supervisor
Utah Division of Oil, Gas and Mining
300 Triad Center - Suite 350
Salt Lake City, Utah 84180

Re: Cyprus Plateau Mining Corporation - Willow Creek Mine, Technical Adequacy Responses (Third Set)

Dear Mr. Haddock:

Based on a preliminary set of Technical Adequacy Comments dated March 28, 1996, we are pleased to submit the remaining responses and related supporting materials. In this latest set of adequacy comments, the Division identified remaining concerns in the following areas:

1) Administrative Analysis
2) Environmental Resource Information
3) Operation Plan
4) Reclamation Plan
5) Bonding

The bond reclamation cost estimate has been completed and two copies were provided for UDOGM review on March 30, 1996. We previously submitted responses on April 4, 1996 addressing all of the Division's comments under categories 1 through 3 above with the exception of soils related concerns which were received as a separate package. The soils concerns were reviewed and discussed with Robert Davidson in a meeting on April 2nd. The accompanying set of responses and supporting materials address the soils concerns based on the agreements reached in that meeting as well as those concerns under the category of "Reclamation Plan". At this time we feel that the accompanying responses and supporting materials adequately address the remaining UDOGM adequacy concerns and provide the basis for UDOGM approval and issuance of the required Mining and Reclamation Permit for the Willow Creek Mine.

We are providing the accompanying Technical Adequacy responses in a comment/response format to facilitate your review. As noted in the individual responses, various components of the Permit Application Package (PAP) have been revised or expanded consistent with the adequacy responses. All resulting revised materials are included as a component of this response package. Please also note that in going through the PAP, several items have been received

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subsequent to the last permit response submittal which need to be inserted into the PAP, items were identified which may be missing from the Division's copies of the PAP, and a few items were placed in the incorrect sections which need to be moved. All accompanying revision materials are identified, described, and instructions for their placement in the PAP are provided in the attached Summary of Revisions/Additions.

As you are aware, timing of permit approval is critical in order to allow CPMC's contractor, who is already on-site, to proceed with mine construction and development without costly delays. Your assistance in expediting review of responses for these few remaining issues will be greatly appreciated and is a critical component in assuring timely permit approval and issuance. As always, please feel free to contact me with any questions regarding these responses. As we complete this permitting process we want to express our appreciation for your attention and cooperation in helping the process to proceed smoothly and in a timely manner.

Sincerely,

TerraMatrix, Inc.

Jerry M. Nettleton /tls

Jerry M. Nettleton
Project Manager

JMN:tls

cc: James Carter/UDOGM (wo/attachments)
Ben Grimes/CPMC (w/attachments)
John Borla/CPMC (wo/attachments)