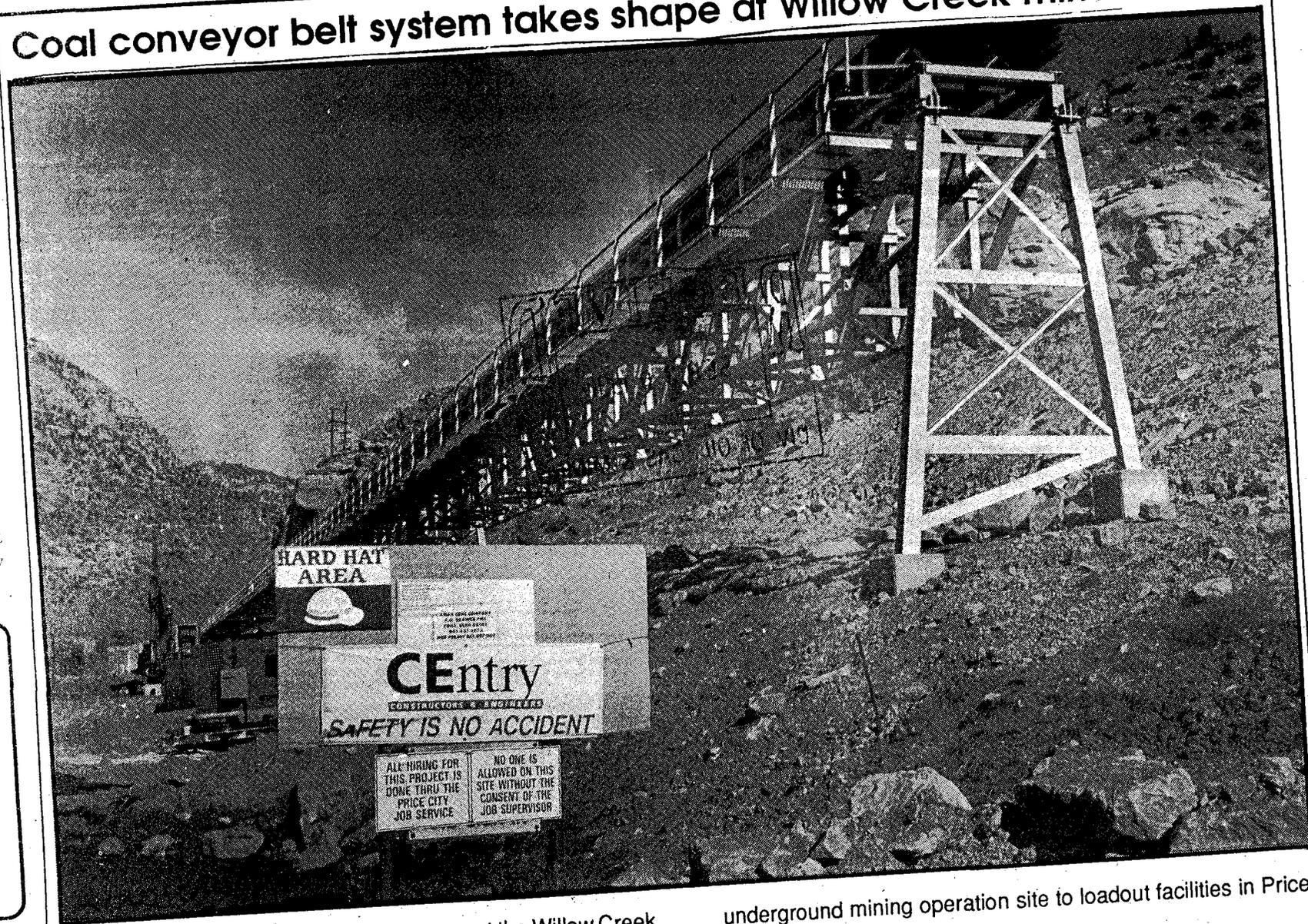


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Coal conveyor belt system takes shape at Willow Creek mine



A new conveyor belt system is taking shape at the Willow Creek mine at Castle Gate. The system will transport coal from the

underground mining operation site to loadout facilities in Price Canyon.

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Mining company issues update on Willow Creek's development

Progress on Cyprus Plateau's Willow Creek mine, located near Castle Gate, is ahead of schedule and within budget.

According to company officials, the overall project is nearly 25 percent complete and several weeks ahead of schedule. Engineering is 79 percent complete, procurement is 45 percent complete and construction/mining is 10 percent complete. Several opportunities are forthcoming to allow the project to make further gains on the schedule.

Currently, there are approximately 120 persons working full time on the project, which has an excellent safety record with no lost time or medically reportable accidents.

Some of the recent developments on the mine project include:

- Surface Mining Control & Reclamation Act (SMCRA) permit approval was received April 23, followed by full construction mobilization.

- Public meetings were conducted on July 30 for public comments on the proposed

Willow Creek north lease tract.

- Earthwork is approximately 50 percent complete.

- Initial development of the five portals is complete.

- Preparation plant refurbishment is approximately 75 percent complete.

- Preparation plant modifications are approximately 25 percent complete.

- Unit train loadout refurbishment is approximately 90 percent complete.

- The Willow Creek stream realignment is completed.

- The construction of the 46KV substation is approximately 90 percent complete.

- Primary crusher building modifications are 95 percent complete.

- Sampling building modifications are 95 percent complete.

- Construction of the mine run-of-mine (ROM) stockpile reclaim tunnel is 15 percent complete.

- Construction of the surface conveyance system is 10 percent complete.

- The employee transfer plan for production and main-

tenance employees from the Star Point mine to the Willow Creek mine is complete and has been presented to the employees.

The plan was implemented in mid-August, beginning with approximately 30 employee transfers.

- All U.S. Mine Safety and Health Administration plans have been approved or are currently under review by MSHA.

- The continuous miner, roof bolter, shuttle cars, face fans, power center, feeder breaker and all other equipment and supplies to begin mining have been received.

Construction of the surface facility's ponds, ditches, etc., is ongoing. Approximately 1,100 feet of the Willow Creek stream had to be rerouted to allow construction of a sediment pond and road. A dozen trout in the creek and a beaver were caught and returned to the relocated stream.

Due to the Castle Gate mine explosion in the 1920s, the state of Utah requires preservation of anything which may

(Continued on Page 2A)

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year.

ACT/007/038 #2

Company issues update:

(Continued from Page 1A)

have historical significance to the area and to the state. At the Willow Creek construction site, a small dugout structure made of old railroad ties was found in the hillside onsite along with an old rail line. Archaeologists on a state-required dig uncovered old nails and horseshoes, etc., in the dugout, but nothing historically significant. Once the area was documented and photographed, employees resumed work on the mine.

There have been numerous Division of Oil, Gas and Mining (DOG M) inspections, approximately four per week, and Ben Grimes Sr., staff project engineer, has been busy getting agreements with Price River Water distribution and Utah state engineers. The vegetation will be replanted after the construction work is complete, which is estimated to be in September.

Willow Creek personnel are currently working with Pacific Corp on a project to relocate a 138,000-volt power line which runs across the top of the longwall panel area. The two companies will relocate approximately 5.5 miles of power line. Mine personnel are drilling exploration holes in Barn Canyon and Skinny Canyon.

Since March 4, four surface employees have been on site at the Willow Creek preparation plant to gain experience at the new plant and learn how to maintain the facilities.

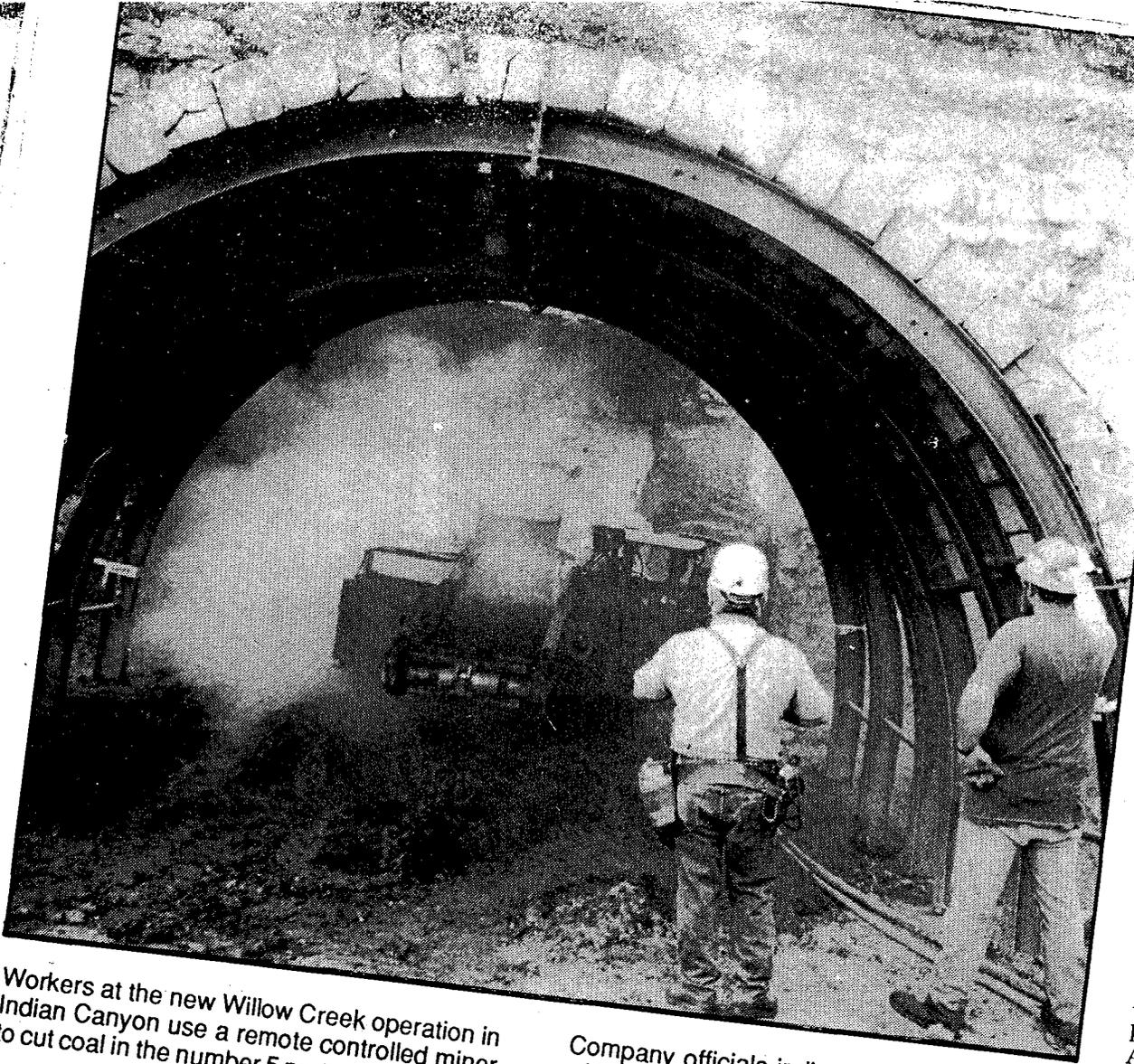
The crew has rebuilt 17 vibrating screens, 14 pumps, six centrifuges, a filter disk, a crusher, two heavy medium vessels, magnetite separators and several smaller pieces of equipment. CEntry is responsible for installing the new equipment, which includes two H-900 fine coal driers, two vibrating banana screens, plus all of the new conveyor belts and other new equipment.

"The surface employees are looking forward to running coal through the preparation plant and loading the first train," said Mike Kelley, surface superintendent. "They have done an excellent job and we are very proud of the work they have accomplished."

Initial mining is scheduled to begin in September, with one continuous miner section. Development of the mains and start of longwall panel development are scheduled to be completed in the fourth quarter of 1997. This will be followed by the start up of the longwall, which is scheduled for the first quarter of 1998.

Do whatever it takes.

FRIENDS DON'T LET FRIENDS DRIVE DRUNK.



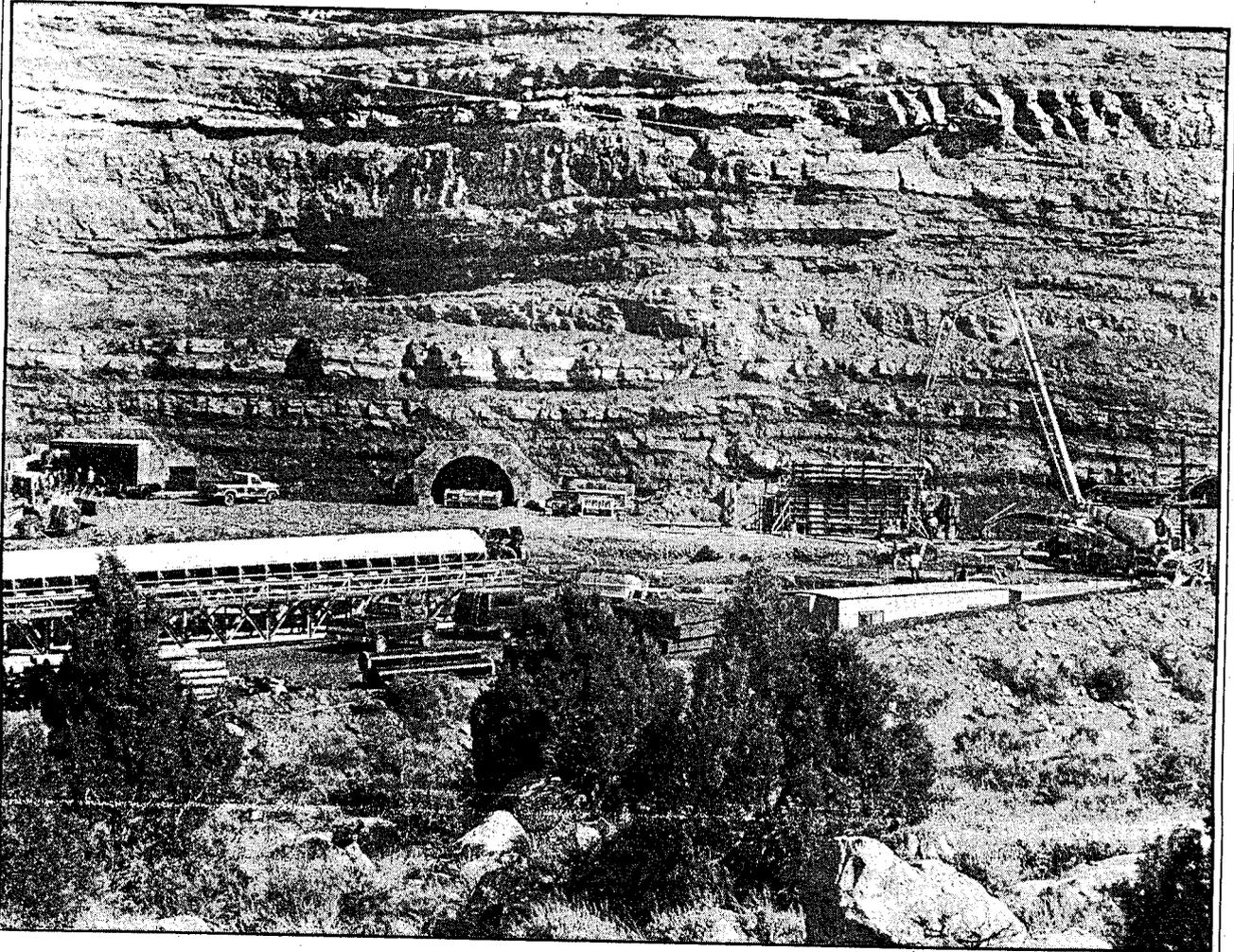
Workers at the new Willow Creek operation in Indian Canyon use a remote controlled miner to cut coal in the number 5 portal of the facility.

Company officials indicate some coal mining will take place at the site by the end of the year.

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Work continuing at hectic pace at Willow Creek coal mine



Construction crews are working at a feverish pace at the location of the new Willow Creek coal mine in Indian Canyon. Large pieces of equipment at the site are constructing the portals for

the mine. Coal will be hauled on a conveyor through the mountain to load-out facilities in Price Canyon.

Police agencies schedule checkpoints

Local law enforcement officials will again conduct administrative checkpoints in the Carbon-Emery area.

Utah Highway Patrol Sgt. Don Kelly reported the checkpoints will take place Sept. 6-8. The first is scheduled for mile post 121 on Interstate 70 near the Ghost Rock rest area.

"This will be a morning checkpoint," explained Kelly. "It will run from 7:30 a.m. to 12:30 p.m." Members of the UHP and Emery County Sheriff's Office will participate. Only eastbound traffic will be stopped.

The second and third checkpoints are slated for 935 East Main in Wellington. The activities will take place between 8 p.m. and 1 a.m. on U.S. Highway 6. UHP, Wellington, Carbon

County, Emery County, East Carbon and state corrections officers will participate. Eastbound and westbound traffic will be stopped both days.

"We are encouraging people to use their seatbelts and child restraints," advised Kelly. "We also want them to operate their vehicles safely and remain in compliance with all safety and operational regulations in order to prevent accidents."

Kelly indicated that a majority of wrecks on nearby highways are caused by unsafe passes.

"They are a significant contributor to accidents. Don't pass in a no-passing zone and don't pass a long line of cars," stressed the veteran officer.

Excessive speeds, impatient drivers create traffic hazards

By LAYNE MILLER

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