

007/038 #2

0033

**PLATEAU
MINING
CORPORATION**

Willow Creek Mine
847 NW Hwy 191
Helper, Utah 84526
(435) 472-0475
Fax: (435) 472-4780

August 19, 1999

Post-It® Fax Note 7671		Date	# of pages
To	Darrow/PMC	8/20/99	2
Co./Dept.	SLO-DNR/PMC	From	Pete Hess
Phone #		Co.	PFO/OGM
Fax #		Phone #	613-5622
		Fax #	613-5828

Pete Hess
Utah Division of Oil, Gas and Mining
c/o College of Eastern Utah
451 East 400 North, Box 156
Price, Utah 84501

RE: Resource Recovery Evaluation, ACT/007/038, Plateau Mining Corporation, Willow Creek Mine, Carbon County, Utah

Dear Mr. Hess:

Plateau Mining Corporation (PMC) would like the ability to recover Btu resources from the Schoolhouse Canyon refuse pile. The resource recovery program will initially involve minor scalping of the Btu resource present on the refuse pile. Dependent on the success of the interim/evaluation program, it could eventually evolve into an ongoing resource recovery program for the life of mine.

The feasibility and practicality of a long term program will be determined upon PMC's ability to recover valuable Btu resources during the initial scalping of the material. If this program proves out, then PMC will move forward with its long term program that will involve the redesign of the schoolhouse refuse pile, construction of a new sediment pond, minor redesign of runoff control structures, installation of a crushing, screening and conveyance facility, and other proper permitting actions.

During the interim scalping process, PMC will ensure that all performance standards applicable to the schoolhouse refuse pile are met, thereby ensuring proper drainage and stability. Additionally, during this interim period, a permitted mobile crushing and screening facility will be placed on the refuse pile. Upon proper sizing of the btu resource, it will be temporarily stockpiled on the refuse pile prior to being transported down the haul road for temporary stockpiling and eventual loading onto the SC-5 raw coal conveyor.

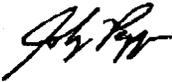
The temporary storage of the btu resource will be placed at locations, denoted by numbers 80 and 92, authorized for other temporary storage as shown on the Surface Facilities Map 18B and discussed in the permit in Section 4.5.2.3.

→ 80 = 250' due west of bath house/warehouse
92 = old truck dump area in close proximity to where #1 adit conveyor tube (from old PRC #3 mine) ~~joins~~ joins main ROM conveyor from Willow Creek.

Mr. Pete Hess
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PMC would like approval to perform the Btu resource recovery operation under the existing approved mining and reclamation plan as provided by the underground coal mining rules. If you have any questions or need additional information, please do not hesitate to contact me at (435) 472-4741.

Sincerely,



Johnny Pappas
Sr. Environmental Engineer

1) All tonnages for AML purposes monitored from scales at rail loadout building, ∴ any BTU's recovered from School House Cyo will be added in outby scales and will be automatically included in AML fee generating tonnages.

File: Mine Fire
Chrono: JP990605.LTR

2) Reducing the combustible content of the waste rock pile, enhancing its resistance to spontaneous combustion.