



Canyon Fuel Company LLC
6955 Union Park Center
Suite 540
Midvale, Utah 84047
Telephone 801-569-4700
Facsimile 801-569-4799

February 13, 1997

Mary Ann Wright, Associate Director
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, UT 84114-5801

Re: Delegation of Authorization to Act on behalf of Mining Permit No. PRO/007/039 #2
for the Dugout Canyon Mine (pending).

Copy from PFO

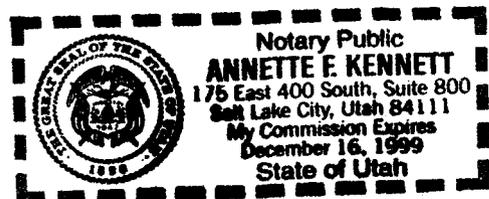
Dear Ms. Wright:

Canyon Fuel Company, LLC is the holder of Mining Permit PRO/007/039 for the Dugout Canyon Mine. As identified in our November 13, 1996, Application for Permit Transfer which was approved by your office December 20, 1996, I am the Chief Executive Officer of Canyon Fuel Company.

In the interest of efficient management of the Mining Permit, I hereby authorize Rick Olsen, General Manager of the Soldier Canyon Mine, to act for and on behalf of Canyon Fuel Company's day-to-day operation and administration activities related to Mining Permit PRO/007/039 including permit revisions and amendments to the Mining and Reclamation Plan.

Written correspondence regarding the Dugout Canyon Mine Permit should be addressed to:

Rick Olsen, General Manager
Soldier Canyon Mine
Canyon Fuel Company, LLC
P.O. Box 1029
Wellington, UT 84542



Very truly yours,

Richard D. Pick

Richard D. Pick
President and CEO

Signed before me this 13th day of February, 1997

Annette F. Kennett

Notary Public