0033

Canyon Fuel Company, LLC
Soldier Canyon Mine
P.O. Box 1029
Wellington, Utah 84542
(801)637-6360 Fax: (801) 637-0108

RECEIVED
JUN 22 1998
DIV. OF OIL, GAS & MINING

June 19, 1998

Mr. Daron Haddock
Permit Supervisor
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

ACT/007/018 #2
Copy ACT/007/039 #2

RE: First Quarter 1998 water monitoring report for Soldier Canyon and Dugout Canyon Mines

Copy Jim Smith & Mike Suflita

Dear Mr. Haddock:

As required by the Soldier Canyon and Dugout Canyon Mine permits, water monitoring was conducted during the month of March 1998. Data are attached for the sites which were visited.

The Soldier Canyon and Dugout Canyon Mines are also required to obtain weekly flow measurements from specified streams and springs during the first wet year and first dry year after permit issuance. Wet and dry years are based on snow-pack measurements as of March 1 for the Price-San Rafael area, with a wet year being the first year after permit issuance when the snow pack water content is greater than 110% of normal and a dry year being the first year after permit issuance when snow pack water content is less than 70% of normal. The snow pack for the Price-San Rafael area as of March 1, 1998, was 103% of normal. Therefore, the additional weekly water monitoring will not be implemented in 1998. This information is attached and was obtained from the United States Department of Agriculture Natural Resources Conservation Service.

If there are any further questions, please feel free to contact me at (801) 636-2890.

Sincerely,
SOLDIER CANYON MINE

Dustin D. Huntington

Dustin D. Huntington
Engineers Assistant