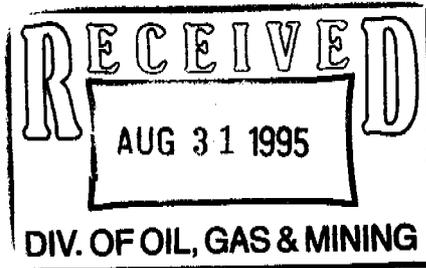


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FACSIMILE (801) 534-0058
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HAND DELIVERED

August 30, 1995

Mr. Daron Haddock
UTAH DIVISION OF OIL, GAS & MINING
3 Triad Center, Suite 350
355 West North Temple
Salt Lake City, Utah 84180-1203

*Copy Daron, Inman,
DAM*

RE: *Hidden Valley Mine, ACT/015/007--95A, Folder #²~~1~~,
Emery County, Utah*

Dear Daron:

On behalf of Hidden Valley Coal Company ("HVCC"), the following responds to your letter of August 23, 1995, requesting further information on the Application for Transfer, Assignment or Sale of the Hidden Valley Mine from HVCC to Consolidation Coal Company ("Application"). Three red-lined copies of the transfer Application supplemented with the information included in these responses are enclosed.

A. APPLICATION

- 1. R645-303-321.300:** We have confirmed with Ed Settle that Consolidation Coal Company is the new permittee/operator proposed for approval by the Utah Division of Oil, Gas & Mining ("Division"). Consol Energy, Inc. and CONSOL, Inc. are principal shareholders of Consolidation Coal Company. This clarification is reflected at pages 9, 10, 11, 12 and 15 of the Application.

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2. **R645-303-321.300, R645-301.112.350:** Page 5 of the Application correctly states that HVCC holds no other current or previous coal mining permits.

Page 16 of the Application refers to Attachment B for a listing of current or previous coal mine permits or pending applications held by Consolidation Coal Company and its affiliated companies. Attachment B has been supplemented with a list of coal mine operations owned or controlled by Consolidation Coal Company and its affiliates, the permit application number and identifiers.

3. **R645-303-321.300, R634-301-113.300:** Page 17 of the Application refers to Attachment A for violation notices received by the applicant and the new permittee. Attachment A-1 has been added to set forth violation notices received by Consolidation Coal Company and any person who owns or controls that company in connection with any underground or surface coal mining activities within the last three years. Attachment A-2 lists similar enforcement information for HVCC.
4. **R645-303-322:** The original Affidavit of Publication was forwarded to the Division by letter dated June 27, 1995, copy enclosed. The enclosed copy of the Affidavit of Publication verifies that notice of the Application was published on June 13, 1995, in the *Emery County Progress*, Castle Dale, Utah. This Affidavit of Publication meets the requirements of R645-303-322 regarding newspaper advertisement and proof of publication.

B. HVCC'S RECLAMATION PLAN

1. **Seeding of All Approved Areas:** HVCC has requested an informal conference on September 12, 1995 to confirm that all disturbed areas identified in the Hidden Valley Mine Reclamation Plan have been seeded.
2. **N95-26-2-1:** HVCC has requested an informal conference on September 12, 1995 to review the fact of violation of N95-26-2-1.

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C. SUPPLEMENTAL INFORMATION

In addition to addressing the issues raised in the August 23, 1995 letter from the Division, HVCC has supplemented the Application with the following information:

1. **Signature Page:** The original and three copies of the Application signature page executed by Consolidation Coal Company and HVCC are enclosed in the supplemental Application.
2. **Application for Permit Change:** Enclosed are an original and three complete copies of an application for permit change executed by both Consolidation Coal Company and HVCC.
3. **R645-301-117.100 -- Certificate of Liability Insurance:** Consolidation Coal Company's Certificate of Insurance effective January 1, 1995 through January 1, 1996 is attached as Exhibit "D" of the supplemental Application.
4. **A Listing of Directors and Officers and Principal Shareholders of Consolidation Coal Company:** Attachment B of the Application is amended to reflect a change in ownership occurring effective April 6, 1995. As of that date, JES Developments, Inc., reduced its ownership to less than two percent (2%) of DuPont, resulting in a change of directors within Dupont. In addition, effective May 1, 1995, the listing of officers within Consolidation Coal Company has been revised. A revised organizational chart listing these changes has been added to Attachment B. Finally, Robert B. Atwater and David D. Eyer have resigned as officers of CONSOL, Inc. and have been deleted from pages 12 and 13 of the Application.
5. **Attachment C:** Attachment C identifying surface and mineral ownership contiguous to HVCC is replaced in the supplemental Application. The legal description has been updated to reflect the fact that areas previously owned 50% by Consolidation Coal Company, 50% by Pittsburgh & Midway and 50% by Chevron are now owned 100% by Consolidation Coal Company.

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If possible, we ask the Division to review these materials for completeness prior to the September 12, 1995 informal conference. Please let me know if you need anything further.

Very truly yours,

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by a horizontal line extending to the right.

Denise A. Drago

DAD:jmc:85840

Enclosures

cc: Lowell Braxton
Lee Edmonson
Ed Settle

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

ss.

County of Emery,)

I, Kevin Ashby, on oath, say that I am the Publisher of the Emery County Progress, a weekly newspaper of general circulation, published at Castle Dale, State and County aforesaid, and that a certain notice, a true copy of which is hereto attached, was published in the full issue of such newspaper for 1 (One) consecutive issues, and that the first publication was on the 13th day of June, 1995 and that the last publication of such notice was in the issue of such newspaper dated the 13th day of June, 1995.



Kevin Ashby - Publisher

Subscribed and sworn to before me this 13th day of June, 1995.



Notary Public My commission expires January 10, 1999 Residing at Price, Utah

Publication fee, \$24.00

NOTICE

Notice is hereby given that Hidden Valley Coal Company, permittee of the Hidden Valley Coal Mine, has or will submit an application to the Division of Oil, Gas & Mining under the provisions of R645-303-300 for transfer of Permit No. ACT/015/007, to Consolidation Coal Company, whose address is P.O. Box 527, Emery, Utah 84522. The permit area is located in Emery County, Utah, and is described as follows:

Township 23 South, Range 6 East, SLBM

Section 17: W1/2

Section 18: All

Pertinent comments are solicited from anyone affected by this proposal. Such comments should be filed within the next thirty (30) days with:

State of Utah, Department of Natural Resources

Division of Oil, Gas and Mining

355 West North Temple

III Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

Published in the Emery County Progress June 13, 1995.

