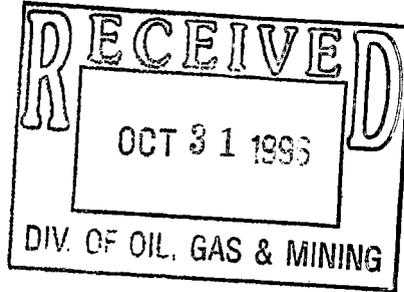


0009



October 4, 1996



Ms. Pamela Grubaugh-Littig
Permit Supervisor
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

ACT/10/15/018 #6

Dear Ms. Grubaugh-Littig:

I am enclosing for submittal the 3rd Quarter 1996 Engineering Inspection Reports for Deer Creek, Cottonwood/Wilberg and Des-Bee-Dove Waste Rock Sites. Please find also the 3rd Quarter 1996 Report of the Deer Creek Elk Canyon Storage Pad submittal.

Sincerely,

Carl Pollastro
Manager Technical Services

Encl.

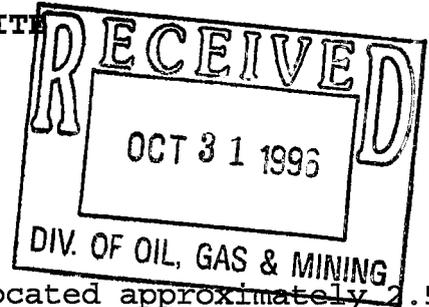
cc J. Blake Webster

Huntington Office:
(801) 687-9821
Fax # (801) 687-2695

Deer Creek Mine:
(801) 381-2317
Fax # (801) 381-2285

Cottonwood Mine:
(801) 748-2319
Fax # (801) 748-2380

DEER CREEK
ACT/015/018
WASTE ROCK DISPOSAL SITE
3rd QUARTER 1996



INTRODUCTION

This area for waste rock storage is located approximately 2.5 miles from the mine site in Huntington Canyon, more specifically in Sections 5 and 6, T17S, R8E, SLM. When complete the site will contain approximately 1.3 million cubic yards of waste rock.

OPERATION

Refuse piles are leveled in lifts according to plan with trash and extraneous material sorted according to the permitted plan.

INSPECTION

Inspection of the facility for structural stability was performed September 26, 1996. Inspection of the operation of the facility is done on a continual basis.

The underdrain had a minimal amount of movement at the time of the inspection. Small water seeps were present at the base of the south berm west of the under drain.

The perimeter berm appears to be stable. Minor erosion down the slopes in a few locations. Minor settlement fractures on outslope of west berm, also inslope at southwest corner berm.

The detention basin and spillway were also inspected for any signs of weakness or instability. No signs of instability or weakness were observed in or around the basin or spillway. A small amount of water was present in the basin at time of inspection.

The active lift was at 35% capacity at the time of inspection.

CERTIFICATION

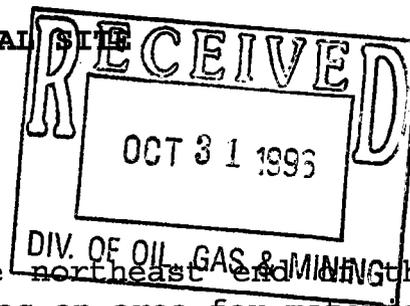
I do hereby certify that the waste rock sites for the Deer Creek Mine are constructed and maintained as designed and in accordance with the approved plan and Utah Coal Mining Rules. I do also certify that there is no evidence of instability, structural weakness, or other hazardous conditions within the sites.

John Christensen 10/1/96

John Christensen
PE #165651



DEER CREEK
ACT/015/018
ORIGINAL WASTE ROCK DISPOSAL SITE
3rd QUARTER 1996



INTRODUCTION

The original site is located on the northeast end of the material storage yard and now serves as an area for material storage. Its storage capacity is approximately 90,000 cubic yards.

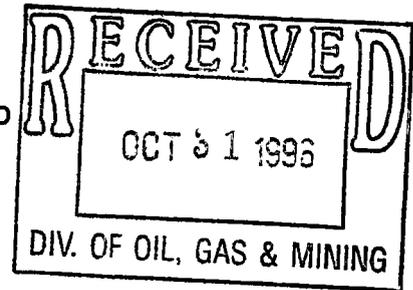
OPERATION

This site is at its capacity. No new waste rock material was added.

INSPECTION

During the inspection of the site on September 26, 1996 no evidence of fractures, slumps or instability were observed. The top berm was intact and functional. No rills or gullies were observed. The seepage area at the base of the site was damp.

DEER CREEK
ACT/015/018
ELK CANYON STORAGE PAD
3rd QUARTER 1996



INTRODUCTION

The Elk Canyon Storage Pad was modified in 1988 to provide additional storage space for run of mine coal. The fill structure was constructed of underground development waste and coal processing waste. An estimated 24,000 cubic yards of material were used to construct the fill pad.

OPERATION

ROM coal was occasionally stored on the pad for short periods of time. At the time of the inspection no coal was stored on the pad.

INSPECTION

During an inspection of the site on September 26, 1996 no tension fractures or other evidence of failure were observed. No evidence of structural weakness or other hazardous conditions were noticed.

CERTIFICATION

I do hereby certify that the Elk Canyon Storage Pad is constructed and maintained as designed and in accordance with the approved plan. I also certify that the facility shows no signs of instability, structural weakness or other hazardous conditions.



John Christensen

John Christensen
PE #165651

10/1/96