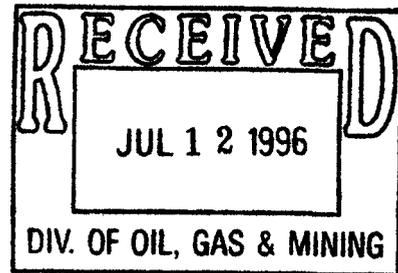




July 9, 1996

Ms. Pamela Grubaugh-Littig
Permit Supervisor
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801



Dear Ms. Grubaugh-Littig:

ACT/015/018 #6

I am enclosing for submittal the 2nd Quarter 1996 Engineering Inspection Reports for Deer Creek, Cottonwood/Wilberg and Des Bee Dove Waste Rock Sites. Also enclosed is the 2nd Quarter 1996 Report of the Deer Creek Elk Canyon Storage Pad submittal.

Sincerely,

Carl Pollastro
Manager Technical Services

Encls.

cc J. Blake Webster

DEER CREEK
ACT/015/018 #6
ELK CANYON STORAGE PAD
2nd 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. During the 4th quarter of 1995 an estimated 3,500 cubic yards of material was placed on the south end of the coal storage pad. This material was excavated from the south side of the coal surge bin.

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.

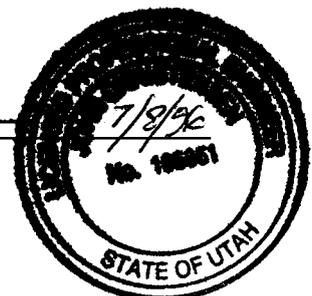
INSPECTION

During an inspection of the site on June 28, 1996 no tension fractures or other evidence of failure were observed. No evidence of structural weakness or other hazardous conditions were noticed. The slopes of the new stored material appear to be stable.

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
PE #165651



**DEER CREEK #6
ACT/015/018
ORIGINAL WASTE ROCK DISPOSAL SITE
2ND 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 June 28, 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 #6
WASTE ROCK DISPOSAL SITE
2nd 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. The current cell had been leveled during the second quarter. Also, the permitted drainage modifications were completed. The access road had been regraded, treated and compacted.

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 June 28, 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. No water was present at time of inspection.

The active lift was at 20% 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
John Christensen

