

GENWAL COAL COMPANY

June 18, 1991

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DIVISION OF
OIL GAS & MINING

Mr. Gary Johnson
Bureau of Land Management
900 North 700 East
Price, Utah 84501

Re: Amendment #3 of Exploration License Application
UTU-65418

Dear Mr. Johnson:

As a result of discussions between representatives of Genwal Coal Company and Jim Kohler of the BLM, it has been determined that one additional drill hole would be required to satisfy the requirements for data adequacy for T.15 S., R.6 E. section 26.

NEICO currently has an approved Exploration License UTU-65418. This license expires August 24, 1991. Under the approved license NEICO drilled five of the approved seven holes in the summer and fall of 1989. Sites number 1 and 5 have yet to be drilled. NEICO would like to drill hole number 5 prior to the expiration date of the approved Exploration License.

Drill site number 5 would have to be relocated approximately 3,500 feet to the southwest (see attached drawing). It is anticipated that by relocating site #5 adequate information can be obtained to formulate the final lease delineation for that area.

All the provisions and stipulations found in the original exploration license and amendments to that license, will be followed.

We will arrange a site visit as soon as weather permits.

Should you have any questions please call.

Sincerely,

R. Jay Marshall

R. Jay Marshall P.E.
Chief Engineer
Genwal Coal Company

cc: Randy Heuscher, BLM with attachment
George Morris, USFS with attachment
Daron Haddock, DOGM with attachment