

*ACT-015
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VIA FACSIMILE

November 3, 1993

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CONFIRMATION OF TELECOPY

James M. Carter
Director
UTAH DIVISION OF OIL, GAS & MINING
3 Triad Center, Suite 350
355 West North Temple
Salt Lake City, Utah 84180-1203

RE: Changes in Ownership and Control -- Permit Nos. ACT/015/032;
AT/007/012

Dear Director Carter:

Richard Hinckley and I appreciated the opportunity to meet with you regarding pending negotiations to change the ownership and control of the Crandall Canyon Mine, Permit No. ACT/015/032, and Wellington Property, Permit No. ACT/007/012. Nevada Electric Investment Company ("NEICO") is conveying 100% of the stock of Genwal Coal Company to Utah Energy Development Company, Inc. ("UEDC"). In addition, NEICO's 50% undivided interest in the Crandall Canyon Mine currently held in joint tenancy with Intermountain Power Agency ("IPA"), will be conveyed to UEDC. These changes in ownership will affect Permit No. ACT/015/032 concerning the Crandall Canyon Mine.

As a separate matter, Genwal Coal Company, permittee, and Castle Valley Resources, operator of the Wellington Preparation Plant Permit No. ACT/007/012, are seeking to transfer their responsibilities under the permit to NEICO.

By letter dated October 11, 1993 to Daron Haddock, NEICO proposed the transfer of permit rights for Wellington Permit No. ACT/007/012 by submitting amendments to Chapter 1 of the Reclamation Plan. It was NEICO's understanding that the transfer of permit rights for Wellington Property would be processed as a minor modification to the Reclamation Plan and would not require prior written approval pursuant to R645-303-300. If this is the appropriate procedure, NEICO would like to proceed with the transfer of

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ownership and control of Permit No. ACT/015/032 in a similar manner. This would allow NEICO to proceed with closing as scheduled on November 8, 1993. Following closing, NEICO would proceed with publication and a thirty-day comment period.

Thank you for your assistance in this matter.

Very truly yours,



Denise A. Dragoo

DAD:jmc:22882

cc: Richard Hinckley, Esq.
William Richards, Esq.
Joe Helfrich
Daron Haddock