

**GENWAL**  
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June 2, 1995

Mr. Dave Darby  
Reclamation Hydrologist  
Utah Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

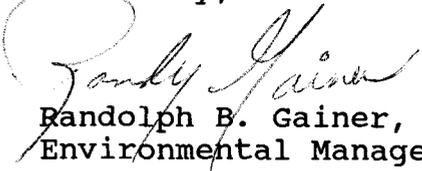
Dear Dave:

Genwal Resources, Inc. is submitting a minor amendment to our mining and reclamation plan (MRP) to alter the layout of our approved projected mining plans. Field data collected by Genwal or their representatives, in conjunction with 30 CFR 701.5 and DOGM's R645-100 definition of streams, indicate that Crandall Creek is perennial from immediately above the "Forks" to its confluence with Huntington Creek. The remainder of Crandall Canyon Drainage is not perennial flow.

Plates 5-2 and 7-16 have been modified to reflect the appropriate location of the perennial portions of the streams. Although these data have been available for several years, the Price Office of the U.S. Forest Service has been unwilling to accept the data because they do not agree with the CFR definition of a perennial stream. Instead the Manti-LaSal Office of the Forest Service is using Dennis Kelly's (Forest Hydrologist) definition, which is: "if flow is observed at a location any 2 out of 3 years on October 1st, then it is considered to be perennial". Thus, even a ditch along a paved road would be considered a perennial stream under this definition if the study on Oct 1 occurred during a rain event or melting as a result of a snow event. This definition by the Price office of the Forest Service might be classified as arbitrary and capricious because it appears to have no scientific validity.

Genwal has discussed this submittal with both the BLM and Utah Division of State lands and we have been given their full support for this amendment. I look forward to working closely with you on this minor amendment to our MRP. If you have any questions, please call.

Sincerely,



Randolph B. Gainer, P.G.  
Environmental Manager