

GENWAL
RESOURCES, INC.

P.O. Box 1420 • 195 North 100 West • Huntington, Utah 84528
Telephone (435) 687-9813 • Fax (435) 687-9784

December 16, 1999

Utah Coal Program
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84118-5801

Fax Steve

**Re: Abatement of C99-39-1-1, GENWAL Resources, Inc., Crandall Canyon Mine,
ACT/015/032. #2**

Dear Sirs:

Attached is a permit change application to abate Cessation Order C99-39-1-1. The abatement required that a corrected mine map and R2P2 plan be submitted. Other requirements for the abatement of the CO were that GENWAL Resources, Inc. stop mining in Panel 6, show that all royalties, fees and fines were paid and explain and identify any hydrologic impacts.

Mining outside the permit area ceased in January 1997.

Royalties and other fees were paid as incurred in 1997 as shown by the enclosed copies of checks, receipts, and forms. The penalty was paid on December 14, 1999 as evidenced by the enclosed copy of the check and receipt.

Dr. Mayo and Associates have investigated the hydrologic impacts of mining the 2.99 acre area off of the permit and have concluded there are no additional hydrologic impacts to those identified within and adjacent to the permit area. A copy of their letter is attached.

If you have questions, please call.

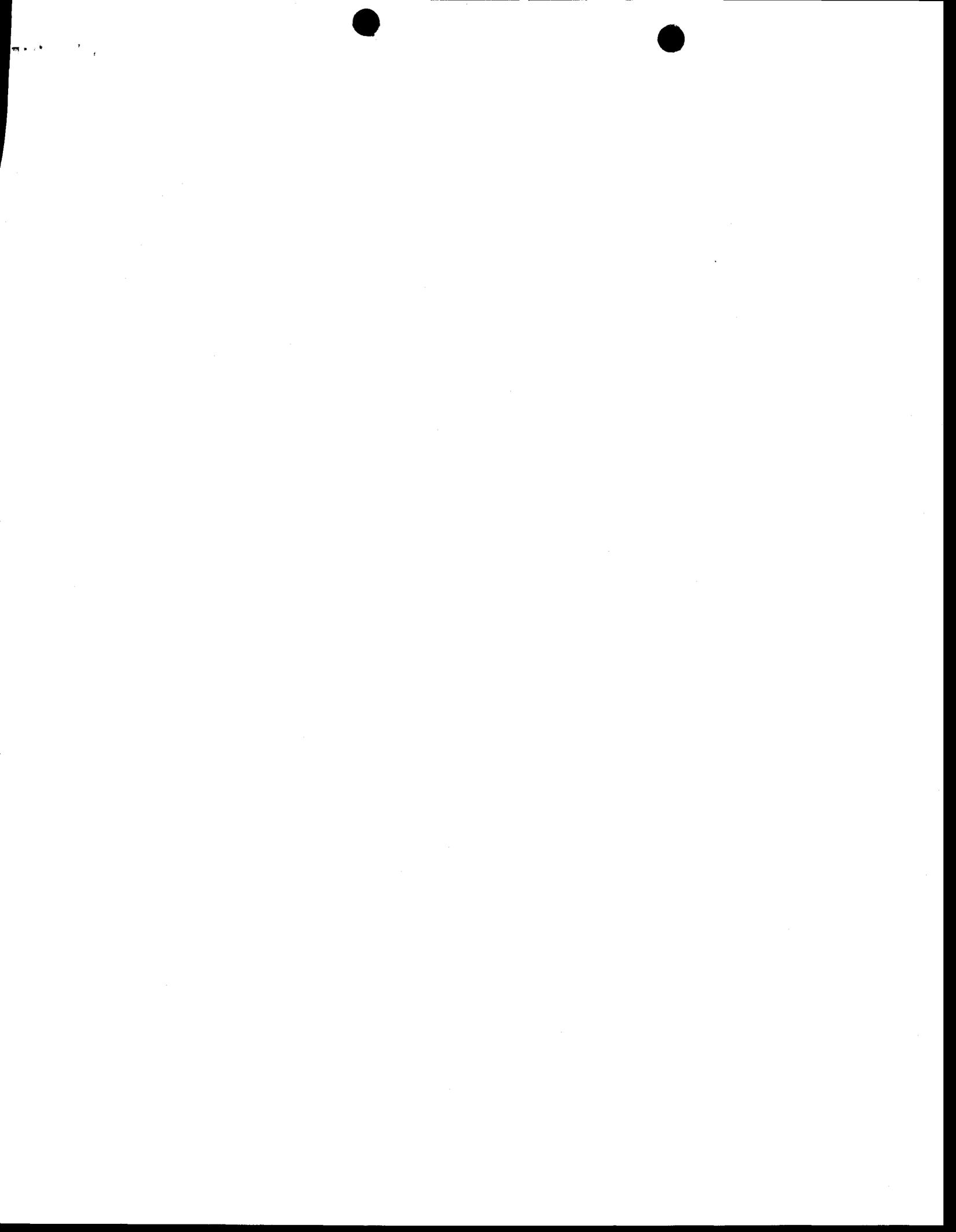
Sincerely,


Gary E. Gray
Engineer

RECEIVED

DEC 17 1999

DIVISION OF OIL, GAS & MINING



Form 1371-22
(May 1988)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Bill Number

A 520617

CERTIFIED - MAIL - RETURN RECEIPT REQUESTED, CERTIFICATION NO. Z
7 580 925 461 OFFICIAL RECEIPT

Date

DECEMBER 6, 1999

Make Remittance Payable To: DEPT. OF THE INTERIOR - BLM, PRICE FIELD OFFICE
125 S. 600 W., PRICE, UT 84501

PAYER:

GENVAL RESOURCES
CRANDALL CANYON MINE
PO BOX 1201
HUNTINGTON UT 84528

To be issued as official receipt for all cash remittances and for all other remittances when required by applicable procedures.

Amount of Payment \$ _____

Mark - Price

DATE	DESCRIPTION	AMOUNT
12/06/99	<p>RE: TRESPASS NO. UT-070-4009, LETTER DATED 12/6/99 LEASE #UTU-68082</p> <p>SEE ATTACHED FOR DETAILS</p> <p><i>3309.00</i></p> <p><i>#44181</i></p> <p><i>DA</i></p> <div data-bbox="925 1191 1313 1478" style="border: 2px solid black; padding: 5px; text-align: center;"> <p>PAID</p> <p>DEC 14 1999</p> <p>BUREAU OF LAND MANAGEMENT PRICE, UTAH</p> <p>By <i>[Signature]</i></p> </div> <p>PAYMENT IS DUE WITHIN THIRTY (30) DAYS. PLEASE RETURN THE ENCLOSURE ENCLOSED BLUE COPY WITH YOUR REMITTANCE.</p>	8,700.00

INTEREST WILL BE ASSESSED AT THE RATE OF 5 % PER YEAR IF FULL PAYMENT IS NOT MADE WITHIN 30 DAYS OF THE DATE OF THIS BILL.
SEE NOTICE OF ACTIONS IN EVENT OF DELINQUENCY ON REVERSE.

OK of Adams

AMOUNT DUE THIS BILL \$ 8,700.00

RECEIVED as payment on above bill,

Date _____ Signature _____ Title _____

GENWAL
RESOURCES, INC.
PO Box 1420, 195 N 100 W
Huntington, Utah 84528

Vendor No.
00000008801

Check Total
\$8,700.00

Check No.
Check Date

Page 1
20894
December 14, 1999

INVOICE NUMBER	DATE	INV AMOUNT	PD AMOUNT	DISCOUNT	NET AMOUNT
A520617	12/10/99	8,700.00	8,700.00	.00	8,700.00
			Check Total		8,700.00

Please Detach Before Presenting for Payment

GENWAL
RESOURCES, INC.
PO Box 1420, 195 N 100 W
Huntington, Utah 84528

General Account

First Security Bank

First Security Bank of Utah
121 East Main
P.O. Box 769
Castle Dale, Utah 84513

31-1
1240

Check No.
20894
December 14, 1999

PAY *** Eight Thousand Seven Hundred 00/100 Dollars \$8,700.00

To
The
Order
Of

DEPT OF INTERIOR-BLM, PRICE FIELD OFFICE
125 SOUTH 600 WEST
PRICE UT 84501

Darren L. Koobey
Controller

Jamie Adair
General Manager

⑈020894⑈ ⑆124000012⑆ 201 00007 23⑈

Security features included. Details on back.

U.S. DEPARTMENT OF THE INTERIOR
 MINERALS MANAGEMENT SERVICE - ROYALTY MANAGEMENT PROGRAM
REPORT OF SALES AND ROYALTY REMITTANCE
 AUTOMATED MMS-2014

REPORT MO/Yr: 2/97
1 PAYOR'S NAME: GENWAL RESOURCES, INC.
2 PAYOR CODE: MA380

3 FEDERAL
 OR
 INDIAN

3A PAYOR-ASSIGNED DOCUMENT NUMBER **970101**

4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
MMS USE	RESERVED FOR PREPARER'S USE	ACCOUNTING IDENTIFICATION (AID) NUMBER	PROD CODE	RP CD	SEL ARR	SALES MO/YR	TRANS CODE	AR CD	SALES QUANTITY	QUAL MEAS	CALC METH	SALES VALUE	ROYALTY QUANTITY	ROYALTY VALUE	PMT MTH
1	Mine Site AL	M73 068082 0 201	ED		100	01/97	01		48,642.71			654,473.89	3,891.42	52,357.91	03
2	Mine Site Trans	M73 068082 0 201	ED		100	01/97	11						0.00	0.00	03
3	Wildcat NAL	M73 068082 0 201	ED		200	01/97	01		44,823.04			855,124.90	3,585.84	68,409.99	03
4	Wildcat AL	M73 068082 0 201	ED		100	01/97	01		43,544.76			1,106,100.14	3,483.58	88,488.01	03
5	Wildcat Trans	M73 068082 0 201	ED		100	01/97	11						7,069.42	(48,756.57)	03
6	CV Spur AL	M73 068082 0 201	ED		100	01/97	01		78,380.80			1,497,417.37	6,270.46	119,793.39	03
7	CV Spur Trans	M73 068082 0 201	ED		100	01/97	11						6,270.46	(20,943.35)	03
8	Railco AL	M73 068082 0 201	ED		100	01/97	01		12,861.93			217,785.61	1,028.95	17,422.85	03
9	Railco Trans	M73 068082 0 201	ED		100	01/97	11						1,028.95	(3,539.60)	03
10	Cox AL	M73 068082 0 201	ED		100	01/97	01		884.00			13,755.66	70.72	1,100.45	03
11															
12	Annual Rental	M73 068082 0 000				3/97	04							8,940.00	03
13															03

20 PAGE TOTAL 283,273.09
21 REPORT TOTAL 282,591.02

REPORT CONTROL BLOCK	
Payment and Method Code	Amount
22 Checks to MMS (1)	
23 Payment to Other (2)	
24 EFT to MMS (3)	282,591.02
25 Royalty-In-Kind (4)	
26 Check to MMS for BIA (5)	
27 EFT to BIA (6)	
28 Payments to Lockboxes (7)	
29 TOTAL OF ITEMS 22-28	282,591.02

WARNING: This is to inform you that failure to report accurately and timely in accordance with the statutes, regulations, or terms of the lease, permit, or contract may result in late payment charges, civil penalties, or liquidated damages being assessed without further notification. Intentional false or inaccurate reporting is subject to criminal prosecution in accordance with applicable Federal law(s).

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that this information is being collected to document details of royalty payments on mineral sales from leases on Federal and Indian lands. MMS will use this information to maintain and audit lease accounts.

I have read and examined the statements in this report and agree they are accurate and complete.

30 Corey R. Miles, CPA *CR Miles* 2/26/97
 Name (typed or printed) and authorized signature Date

31 Corey R. Miles, CPA 801-687-9813
 Name of Preparer Telephone

PROPRIETARY-FOR U.S. GOVERNMENT USE ONLY

Quarterly Federal Excise Tax Return

► For Paperwork Reduction Act Notice, see the separate instructions.

If you are not using a preprinted label, enter your name, address, employer identification number, and calendar quarter of return. See the separate instructions.

***** 3-DIGIT 845
 XI 87-0533099 MAR97 S29 A
 GENVAL RESOURCES INC
 BRADSHAW JOHN GEN PTR
 PO BOX 1420 036
 HUNTINGTON UT 84528-1420

I
R
S

FOR IRS USE ONLY

T	
FF	
FD	
FP	
I	
T	

Check here if this is a final return ► or a one-time filing ► (See instructions.)

Part I Caution: Taxes that do not apply after December 31, 1996, are marked with an asterisk.

IRS No.	Environmental Taxes (Attach Form 6627 for all environmental taxes.)		Tax	IRS No.	
98	Ozone-depleting chemicals (ODCs)			98	
19	ODC tax on imported products			19	
IRS No.	Communications and Air Transportation Taxes		Tax	IRS No.	
22	Toll telephone service, teletypewriter exchange service, and local telephone service			22	
*26	Transportation of persons by air			26	
*28	Transportation of property by air			28	
*27	Use of international air travel facilities			27	
IRS No.	Fuel Taxes	Number of gallons	Rate	Tax	IRS No.
60	(a) Diesel fuel, tax on removal at terminal rack		\$.243		60
	(b) Diesel fuel, tax on taxable events other than removal at terminal rack, including tax on previously untaxed liquids blended with previously taxed diesel fuel		.243		
71	Dyed diesel fuel used in trains		.0555		71
78	Dyed diesel fuel used in certain intercity or local buses		.073		78
61	Special motor fuels		.183		61
79	Other alcohol fuels		(See instructions.)		79
62	(a) Gasoline, tax on removal at terminal rack		.183		62
	(b) Gasoline, tax on taxable events other than removal at terminal rack		.183		
	(c) Gasoline, tax on failure to blend or later separation		(See instructions.)		
58	Gasoline removed or entered for gasohol production containing at least 10% alcohol		.14333		58
73	Gasoline removed or entered for gasohol production containing at least 7.7% alcohol but less than 10% alcohol		.15321		73
74	Gasoline removed or entered for gasohol production containing at least 5.7% alcohol but less than 7.7% alcohol		.16142		74
59	Gasohol containing at least 10% alcohol		.129		59
75	Gasohol containing at least 7.7% alcohol but less than 10% alcohol		.14142		75
76	Gasohol containing at least 5.7% alcohol but less than 7.7% alcohol		.15222		76
69	Aviation fuel (other than gasoline)		.043**		69
14	Aviation gasoline		.043**		14
77	Aviation fuel (other than gasoline) for use in commercial aviation		.043		77
101	Compressed natural gas (taxed at \$.4854 per thousand cubic feet)				101

**Applicable after December 31, 1996.

IRS No.	Retail Tax	Rate	Tax	IRS No.		
33	Truck, trailer, and semitrailer chassis and bodies, and tractors	12% of sales price		33		
IRS No.	Ship Passenger Tax	Number of persons	Rate	Tax	IRS No.	
29	Transportation by water		\$3 per person		29	
IRS No.	Other Excise Tax	Amount of obligations	Rate	Tax	IRS No.	
31	Obligations not in registered form		\$.01		31	
IRS No.	Luxury Tax	Rate	Tax	IRS No.		
92	Passenger vehicles (See instructions.)	8% of sales price over \$36,000**		92		
IRS No.	Manufacturers Taxes	Number of tons	Sales price	Rate	Tax	IRS No.
36	Coal—Underground mined			\$1.10 per ton		36
37			9,557,810	4.4% of sales price	420543 64	37
38	Coal—Surface mined			\$.55 per ton		38
39				4.4% of sales price		39
66	Highway-type tires (See instructions.)					66
40	Gas guzzler tax (Attach Form 6197.)					40
IRS No.	Vaccine Taxes	Number of doses	Rate	Tax	IRS No.	
81	DPT vaccine		\$4.56		81	
82	DT vaccine		.06		82	
83	MMR vaccine		4.44		83	
84	Polio vaccine		.29		84	
IRS No.	Foreign Insurance Taxes	Premiums paid	Rate	Tax	IRS No.	
	Policies issued by foreign insurers (See instructions.)					
	Casualty insurance and indemnity bonds		\$.04			
30	Life insurance, sickness and accident policies, and annuity contracts		.01		30	
	Reinsurance		.01			
1 Total. Add all amounts in Part I. (Complete Schedule A unless one-time filing.)				\$420543 64		

Part II

IRS No.	Rate	Tax	IRS No.	
41	Sport fishing equipment	10% of sales price	41	
42	Electric outboard motors and sonar devices	3% of sales price	42	
44	Bows and arrows	11% of sales price	44	
IRS No.	Number of gallons	Rate	Tax	IRS No.
64	Inland waterways fuel use tax	\$.243		64
51	Alcohol sold as but not used as fuel (See instructions.)	.54/.40		51
IRS No.	Number of gallons	Rate	Tax	IRS No.
20	Ozone-depleting chemicals (floor stocks) (Attach Form 6627.)			20
87	Aviation fuel (See instructions.)	.175		87
2 Total. Add all amounts in Part II.				\$

Part III

3	Total tax. Add line 1, Part I, and line 2, Part II	3	420543	64
4	Adjustments and claims (See instructions. Complete Schedule C.)	4	-0-	
5	Net tax after adjustments and claims. Combine lines 3 and 4. (If no entry on line 4, enter amount from line 3.)	5	420543	64
6	Deposits you made for the quarter	6	420543	64
7	Overpayment from previous quarter	7	-0-	
8	Total of lines 6 and 7.	8	420543	64
9	Balance Due. If line 5 is greater than line 8, enter the difference. This amount must be paid with the return. Attach check or money order for full amount payable to "Internal Revenue Service." Write your EIN, "Form 720," and the quarter on it	9	CENTS ONLY	
10	Overpayment. If line 8 is greater than line 5, enter the difference. If you have an entry that is less than zero on line 5, combine line 5 and line 8. Check if you want the overpayment: <input type="checkbox"/> Applied to your next return, or <input type="checkbox"/> Refunded to you.	10		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Sign Here

Signature: CR Miles, CPA Date: 4/22/97 Title: Controller

Corey R. Miles
(Please type or print name below signature.)

Telephone number (801) 687-9813

Schedule A Excise Tax Liability (See page 6 of the instructions.)

Note: You must complete Schedule A if you have a liability for any tax in Part I of Form 720. Do not complete Schedule A for taxes on bows and arrows, electric outboard motors and sonar devices, sport fishing equipment, alcohol sold as but not used as fuel, or inland waterways fuel use; for any floor stocks taxes; or for one-time filings.

1 9-day-rule taxes

(a) Record of Net Tax Liability	Period					
	1st-15th day			16th-last day		
First month	A	59139	33	B	86432	80
Second month	C	57665	11	D	79646	36
Third month	E	72168	02	F	65492	02
(b) Net liability for 9-day-rule taxes. (Add the amounts for each semimonthly period.)						420543 64

2 30-day-rule taxes (IRS Nos. 19 and 98)

(a) Record of Net Tax Liability	Period					
	1st-15th day			16th-last day		
First month	G			H		
Second month	I			J		
Third month	K			L		
(b) Net liability for 30-day-rule taxes. (Add the amounts for each semimonthly period.)						

3 Collected taxes based on billings or tickets sold (IRS Nos. 22, 26, 27, and 28)

(a) Record of Taxes Considered as Collected	Period					
	1st-15th day			16th-last day		
First month	M			N		
Second month	O			P		
Third month	Q			R		
(b) Collected taxes based on billings or tickets sold. (Add the amounts for each semimonthly period.)						

4 14-day-rule gasoline and diesel fuel taxes (IRS Nos. 14, 60, 62, 58, 73, 74, 59, 75, and 76)

(a) Record of Net Tax Liability	Period					
	1st-15th day			16th-last day		
First month	S			T		
Second month	U			V		
Third month	W			X		
(b) Net liability for 14-day-rule gasoline and diesel fuel taxes. (Add the amounts for each semimonthly period.)						

VENDOR: 001506

CHECK NO.

VOUCHER	INVOICE NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
007230	JAN	01/31/97	86,432.82	86,432.82	.00	86,432.82
					Check Total	86,432.82

CHECK NO.	CHECK DATE	VENDOR NO.
9857	01/31/97	001506

Zions First National Bank

P.O. Box 60
51 North Main
Huntington, UT 84528

31-5
1240



GENVAL
RESOURCES, INC.
General Account
P.O. Box 1420
Huntington, UT 84528

CHECK AMOUNT
\$***86,432.82

EIGHTY-SIX THOUSAND FOUR HUNDRED THIRTY-TWO AND 82/100 DOLLARS

PAY
TO THE
ORDER OF

Zions First National Bank
P.O. Box 30833
Salt Lake City UT 84130
001506

Ch Miles
Taine Adair

NON-NEGOTIABLE NON-NEGOTIABLE NON-NEGOTIABLE

VENDOR: 007

CHECK NO.

VOUCHER	INVOICE NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	DISCOUNT TAKEN	NET CHECK AMOUNT
006521	JAN 15	01/23/97	59,139.33	59,139.33	.00	59,139.33
					Check Total	59,139.33

CHECK NO.	CHECK DATE	VENDOR NO.
9565	01/23/97	001077

Zions First National Bank

31-5
1240

P.O. Box 60
51 North Main
Huntington, UT 84528



GENWAL
RESOURCES, INC.
General Account
P.O. Box 1420
Huntington, UT 84528

CHECK AMOUNT
***59,139.33

FIFTY-NINE THOUSAND ONE HUNDRED THIRTY-NINE AND 33/100 DOLLARS

PAY
TO THE
ORDER OF

ZIONS FIRST NATIONAL BANK
HUNTINGTON OFFICE
PO BOX 60
HUNTINGTON UT 84528

Ch Miles
Taine Adair

⑈009565⑈ ⑆124300521⑆ 47 00275 3⑈

⑆SECURITY FEATURES INCLUDED. DETAILS ON BACK.⑆

(1) PRIORITY CODE

(2) TO
021030004

(3) TYPE

(4) FROM

(5) CLASS (6) REF

(7) AMOUNT
\$92,855.80

(8) ORDERING BANK AND RELATED DATA

(9) TREAS NYC
(10) (14180001)

(11) OBI=

(12) MASTER ENTITY NBR: 136398
OS DOCUMENT NBR: OS701075

ZIONS BANK ACCT # TO TRANSFER FROM: 47002753

Part 1 -- OSM-1 Coal Reclamation Fee Report

1. Reporting for X 1st, ___ 2nd, ___ 3rd or ___ 4th quarter, 19 97

 This certification covers the following permit number(s):

UT ACT/015/032



GENWAL RESOURCES INC
PO BOX 1420
HUNTINGTON UT 84528

2. I hereby certify that the statements made herein are true, complete and correct to the best of my knowledge and belief and are made in good faith.

Print in ink or type the name of reporting person, corporate officer, agent or director on behalf of the operator or the permittee.

Signature

Date

3. Subscribed and sworn to before me in my presence the ___ day of ___, 19__.

(seal)

Notary Public signature

My commission expires _____

4. Contact person: JASON WAITE
Telephone number (801) 687-9813
Master entity number 136398
Reporting entity number 136398

Check one X electronic funds transfer
_____ check

5. Total payment enclosed

\$ 92,855.80

Title 30 U.S.C. Section 1232 provides that any person, corporate officer, agent or director, on behalf of a coal mine operator who knowingly makes any false statements, representation or certification, or knowingly fails to make any statement, representation or certification required in this section shall, upon conviction, be punished by a fine of not more than \$10,000, or by imprisonment for not more than one year or both.

Approved by OMB, no. 1029-0063. Expires 7/97

Return to OSM or call BELL, SUSAN at 1-800-799-4265 if you have any questions.

Part 2 -- Coal Reclamation Fee Report, OSM-1

OS705328
136398



You must fill out a Part 2 and Part 3 for each permit number you are reporting.

6. Reporting for X 1st, 2nd, 3rd or 4th quarter, 19 97

7. Permit Number ACT/015/032 Mine Name CRANDALL CANYON NO.1 MINE State UT

a. MSHA number 4201715	e. Permittee name GENWAL RESOURCES INC	h. Operator name GENWAL RESOURCES INC
b. County Tribe EMERY	f. Address PO BOX 1420	i. Address PO BOX 1420
c. <input type="checkbox"/> Mining complete	HUNTINGTON UT 84528	HUNTINGTON UT 84528
d. <input type="checkbox"/> All stockpile reported	g. Taxpayer I.D. 87-0533099	j. Taxpayer I.D. 87-0533099

8. Fee Computation

a. Gross tons <u> 638,268 . 4 0 </u> b. Moisture (1) total <u> 7 . 5 4 6 1 </u> % (2) inherent <u> 4 . 5 3 3 3 </u> % (3) excess <u> 3 . 0 1 2 8 </u> % c. Reduced tons <u> 19,229 . 7 5 </u> d. Net tons <u> 619,038 . 6 5 </u> e. Rate \$ <u> . 1 5 </u> f. Calculated fee \$ <u> 92,855 . 8 0 </u>	a. Gross tons _____ b. Moisture (1) total _____ % (2) inherent _____ % (3) excess _____ % c. Reduced tons _____ d. Net tons _____ e. Rate \$ _____ f. Calculated fee \$ _____	a. Gross tons _____ b. Moisture (1) total _____ % (2) inherent _____ % (3) excess _____ % c. Reduced tons _____ d. Net tons _____ e. Rate \$ _____ f. Calculated fee \$ _____
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Approved by OMB. no. 1029-0063
Expires 7/97

9. Total calculated fee for this permit number \$ 92,855 . 8 0

U.S. DEPARTMENT OF THE INTERIOR
 MINERALS MANAGEMENT SERVICE - ROYALTY MANAGEMENT PROGRAM
REPORT OF SALES AND ROYALTY REMITTANCE
 AUTOMATED MMS-2014

12/96
NAME: GENWAL RESOURCES, INC.
CODE: MA380

3 FEDERAL X
 OR
 INDIAN

3A PAYOR-ASSIGNED DOCUMENT NUMBER **961101**

RF

5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	
MMS USE	RESERVED FOR PREPARER'S USE	ACCOUNTING IDENTIFICATION (AID) NUMBER	PROD CODE	RP CD	SEL ARR	SALES MOYR	TRANS CODE	AR CD	SALES QUANTITY	QUAL MEAS	CALC METH	SALES VALUE	ROYALTY QUANTITY	ROYALTY VALUE	PMT MTH
1	Mine Site AL	M73 068082 0 201	ED		100	11/96	01		35,718.09			511,435.43	2,857.45	40,914.83	03
2	Mine Site Trans	M73 068082 0 201	ED		100	11/96	11						874.56	(1,854.08)	03
3	Wildcat NAL	M73 068082 0 201	ED		200	11/96	01		19,103.94			368,692.35	1,528.32	29,495.39	03
4	Wildcat AL	M73 068082 0 201	ED		100	11/96	01		60,686.98			1,103,656.50	4,854.96	88,292.52	03
5	Wildcat Trans	M73 068082 0 201	ED		100	11/96	11						6,383.27	(29,455.26)	03
6	CV Spur AL	M73 068082 0 201	ED		100	11/96	01		40,182.05			735,976.42	3,214.56	58,878.11	03
7	CV Spur Trans	M73 068082 0 201	ED		100	11/96	11						3,214.56	(10,672.35)	03
8	Mohrland AL	M73 068082 0 201	ED		100	11/96	01		7,641.88			138,853.00	611.35	11,108.24	03
9	Mohrland Trns	M73 068082 0 201	ED		100	11/96	11						611.35	(1,809.60)	03
10	Railco AL	M73 068082 0 201	ED		100	11/96	01		33,279.32			568,894.82	2,662.35	45,511.59	03
11	Railco Trans	M73 068082 0 201	ED		100	11/96	11						2,662.35	(8,972.10)	03
12	Wildcat NAL	M73 068082 0 201	ED		200	10/96	01	01	(26,524.48)			(453,303.36)	(2,121.96)	(36,264.27)	03
13	Wildcat NAL	M73 068082 0 201	ED		200	10/96	01	01	26,524.48			464,178.40	2,121.96	37,134.27	03

20 PAGE TOTAL 222,307.29
21 REPORT TOTAL 223,767.44

REPORT CONTROL BLOCK

Payment and Method Code	Amount
22 Checks to MMS (1)	
23 Payment to Other (2)	
24 EFT to MMS (3)	223,767.44
25 Royalty-In-Kind (4)	
26 Check to MMS for BIA (5)	
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I have read and examined the statements in this report and agree they are accurate and complete.

30 Corey R. Miles, CPA *CR miles* 12/30/96
 Name (typed or printed) and authorized signature Date

31 Corey R. Miles, CPA 801-687-9813
 Name of Preparer Telephone

PROPRIETARY-FOR U.S. GOVERNMENT USE ONLY

Quarterly Federal Excise Tax Return

► For Paperwork Reduction Act Notice, see the separate instructions.

If you are not using a preprinted label, enter your name, address, employer identification number, and calendar quarter of return. See the separate instructions.

***** 3-DIGIT 845
 XI 87-0533099 DEC96 S29 A
 GENWAL RESOURCES INC
 BRADSHAW JOHN GEN PTR
 PO BOX 1420
 HUNTINGTON UT 84528-1420

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FOR IRS USE ONLY

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Check here if this is a final return or a one-time filing (See instructions.)

Part I

IRS No.	Environmental Taxes (Attach Form 6627 for all environmental taxes.)	Tax	IRS No.		
98	Ozone-depleting chemicals (ODCs)		98		
19	ODC tax on imported products		19		
IRS No.	Communications and Air Transportation Taxes	Tax	IRS No.		
22	Toll telephone service, teletypewriter exchange service, and local telephone service		22		
26	Transportation of persons by air		26		
28	Transportation of property by air		28		
27	Use of international air travel facilities		27		
IRS No.	Fuel Taxes	Number of gallons	Rate	Tax	IRS No.
60	(a) Diesel fuel, tax on removal at terminal rack		\$.243		60
	(b) Diesel fuel, tax on taxable events other than removal at terminal rack, including tax on previously untaxed liquids blended with previously taxed diesel fuel		.243		
71	Dyed diesel fuel used in trains		.0555		71
78	Dyed diesel fuel used in certain intercity or local buses		.073		78
61	Special motor fuels		.183		61
79	Other alcohol fuels		(See instructions.)		79
62	(a) Gasoline, tax on removal at terminal rack		.183		62
	(b) Gasoline, tax on taxable events other than removal at terminal rack		.183		
	(c) Gasoline, tax on failure to blend or later separation		(See instructions.)		
58	Gasoline removed or entered for gasohol production containing at least 10% alcohol		.14333		58
73	Gasoline removed or entered for gasohol production containing at least 7.7% alcohol but less than 10% alcohol		.15321		73
74	Gasoline removed or entered for gasohol production containing at least 5.7% alcohol but less than 7.7% alcohol		.16142		74
59	Gasohol containing at least 10% alcohol		.129		59
75	Gasohol containing at least 7.7% alcohol but less than 10% alcohol		.14142		75
76	Gasohol containing at least 5.7% alcohol but less than 7.7% alcohol		.15222		76
69	Aviation fuel (other than gasoline)		.218		69
14	Aviation gasoline		.193		14
77	Aviation fuel (other than gasoline) for use in commercial aviation		.043		77
101	Compressed natural gas (taxed at \$.4854 per thousand cubic feet)				101

IRS No.	Retail Tax		Rate	Tax	IRS No.	
33	Truck, trailer, and semitrailer chassis and bodies, and tractors		12% of sales price		33	
IRS No.	Ship Passenger Tax	Number of persons	Rate	Tax	IRS No.	
29	Transportation by water		\$3 per person		29	
IRS No.	Other Excise Tax	Amount of obligations	Rate	Tax	IRS No.	
31	Obligations not in registered form		\$.01		31	
IRS No.	Luxury Tax		Rate	Tax	IRS No.	
92	Passenger vehicles (See instructions.)		9% of sales price over \$34,000		92	
IRS No.	Manufacturers Taxes	Number of tons	Sales price	Rate	Tax	IRS No.
36	Coal—Underground mined			\$1.10 per ton		36
37			9,764,540	4.4% of sales price	429639 76	37
38				\$.55 per ton		38
39	Coal—Surface mined			4.4% of sales price		39
66	Highway-type tires (See instructions.)					66
40	Gas guzzler tax (Attach Form 6197.)					40
IRS No.	Vaccine Taxes	Number of doses	Rate	Tax	IRS No.	
81	DPT vaccine		\$4.56		81	
82	DT vaccine		.06		82	
83	MMR vaccine		4.44		83	
84	Polio vaccine		.29		84	
IRS No.	Foreign Insurance Taxes	Premiums paid	Rate	Tax	IRS No.	
	Policies issued by foreign insurers (See instructions.)					
	Casualty insurance and indemnity bonds		\$.04			
30	Life insurance, sickness and accident policies, and annuity contracts		.01		30	
	Reinsurance		.01			
1 Total. Add all amounts in Part I. Complete Schedule A unless one-time filing					429639 76	

Part II

IRS No.		Rate	Tax	IRS No.	
41	Sport fishing equipment	10% of sales price		41	
42	Electric outboard motors and sonar devices	3% of sales price		42	
44	Bows and arrows	11% of sales price		44	
IRS No.		Number of gallons	Rate	Tax	IRS No.
64	Inland waterways fuel use tax		\$.243		64
51	Alcohol sold as but not used as fuel (See instructions.)		.54/.40		51
IRS No.	Floor Stocks Taxes	Number of gallons	Rate	Tax	IRS No.
20	Ozone-depleting chemicals (floor stocks) (Attach Form 6627.)				20
87	Aviation fuel (See instructions.)		.175		87
2 Total. Add all amounts in Part II.					\$

Part III

3	Total tax. Add line 1, Part I, and line 2, Part II	3	429639	76
4	Adjustments and claims (See instructions. Complete Schedule C.)	4	-0-	
5	Net tax after adjustments and claims. Combine lines 3 and 4. (If no entry on line 4, enter amount from line 3.)	5	429639	76
6	Deposits you made for the quarter	6	429225	74
7	Overpayment from previous quarter	7	414	01
8	Total of lines 6 and 7	8	429639	75
9	Balance Due. If line 5 is greater than line 8, enter the difference. This amount must be paid with the return. Attach check or money order for full amount payable to "Internal Revenue Service." Write your EIN, "Form 720," and the quarter on it	9	CENTS ONLY	
10	Overpayment. If line 8 is greater than line 5, enter the difference. If you have an entry that is less than zero on line 5, combine line 5 and line 8. Check if you want the overpayment: <input type="checkbox"/> Applied to your next return, or <input type="checkbox"/> Refunded to you.	10		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Sign Here

Signature _____ Date _____ Title _____

(Please type or print name below signature.) Telephone number ()

Schedule A Excise Tax Liability (See page 6 of the instructions.)

Note: You must complete Schedule A if you have a liability for any tax in Part I of Form 720. Do not complete Schedule A for taxes on bows and arrows, electric outboard motors and sonar devices, sport fishing equipment, alcohol sold as but not used as fuel, or inland waterways fuel use; for any floor stocks taxes; or for one-time filings.

1 9-day-rule taxes

(a) Record of Net Tax Liability	Period			
	1st-15th day		16th-last day	
First month	A	84502 10	B	54485 79
Second month	C	47174 79	D	87979 08
Third month	E	102212 38	F	53285 62
(b) Net liability for 9-day-rule taxes. (Add the amounts for each semimonthly period.)				429639 76

2 30-day-rule taxes (IRS Nos. 19 and 98)

(a) Record of Net Tax Liability	Period			
	1st-15th day		16th-last day	
First month	G		H	
Second month	I		J	
Third month	K		L	
(b) Net liability for 30-day-rule taxes. (Add the amounts for each semimonthly period.)				

3 Collected taxes based on billings or tickets sold (IRS Nos. 22, 26, 27, and 28)

(a) Record of Taxes Considered as Collected	Period			
	1st-15th day		16th-last day	
First month	M		N	
Second month	O		P	
Third month	Q		R	
(b) Collected taxes based on billings or tickets sold. (Add the amounts for each semimonthly period.)				

4 14-day-rule gasoline and diesel fuel taxes (IRS Nos. 14, 60, 62, 58, 73, 74, 59, 75, and 76)

(a) Record of Net Tax Liability	Period			
	1st-15th day		16th-last day	
First month	S		T	
Second month	U		V	
Third month	W		X	
(b) Net liability for 14-day-rule gasoline and diesel fuel taxes. (Add the amounts for each semimonthly period.)				

VENDOR: 001506

CHECK NO.

VOUCHER	INVOICE NO.	INVOICE DATE	INVOICE AMOUNT	AMOUNT PAID	AMOUNT TAKEN	NET CHECK AMOUNT
004441	NOV 15	11/21/96	47,174.79	47,174.79	.00	47,174.79
					Check Total	47,174.79

CHECK NO.	CHECK DATE	VENDOR NO.
9082	11/22/96	001506

Zions First National Bank

P.O. Box 60
51 North Main
Huntington, UT 84528

31-5
1240



GENWAL
RESOURCES, INC.
General Account
P.O. Box 1420
Huntington, UT 84528

CHECK AMOUNT
***47,174.79

FORTY-SEVEN THOUSAND ONE HUNDRED SEVENTY-FOUR AND 79/100 DOLLARS

PAY
TO THE
ORDER OF

Zions First National Bank
P.O. Box 30833
Salt Lake City UT 84130
001506

CL Miles
Taine Adair

NON-NEGOTIABLE NON-NEGOTIABLE NON-NEGOTIABLE

INVOICE NO.	AMOUNT	DISCOUNT	NET AMT.
nov 96	87979.08		

DATE
12-9-96
CHECK NUMBER
6095
AMOUNT
87979.08



GENWAL RESOURCES, INC.
 P.O. BOX 1420 • HUNTINGTON, UTAH 84528
 GENERAL ACCOUNT

ZIONS FIRST NATIONAL BANK
 P.O. Box 60 • 51 North Main
 Huntington, UT 84528

006095

CHECK NO. 6095

$\frac{31-5}{1240}$

For the sum of 87979 dollars and 08Cents

Pride &

DATE
12-9-96

AMOUNT
87979.08

PAY
TO THE
ORDER
OF

Zions Bank *Performance*

NON-NEGOTIABLE

⑈006095⑈ ⑆124008524⑆ 4? 00275 3⑈

(1) PRIORITY CODE			
(2) TO 021030004		(3) TYPE	
(4) FROM	(5) CLASS	(6) REF	(7) AMOUNT \$99,219.69
(8) ORDERING BANK AND RELATED DATA			
(9) TREAS NYC	(10) (14180001)	(11) OBI=	
(12)	MASTER ENTITY NBR: 136398 OS DOCUMENT NBR: OS701075		

ZIONS BANK ACCT # TO TRANSFER FROM: 47002753

Part 1 -- OSM-1 Coal Reclamation Fee Report

1. Reporting for ___ 1st, ___ 2nd, ___ 3rd or X 4th quarter, 19 96

 This certification covers the following permit number(s):

UT ACT/015/032

2. I hereby certify that the statements made herein are true, complete and correct to the best of my knowledge and belief and are made in good faith.

COREY R. MILES

Print in ink or type the name of reporting person, corporate officer, agent or director on behalf of the operator or the permittee.

Signature

Date

3. Subscribed and sworn to before me in my presence the
_____ day of _____, 19____.

(seal)

Notary Public signature

My commission expires _____

4. Contact person: ~~GALE MAGNUSON~~ JASON WATTE

Telephone number (801) 687-9813

Master entity number 136398

Reporting entity number 136398

Check one XX electronic funds transfer
_____ check

GENWAL RESOURCES INC

PO BOX 1420

~~HUNTINGTON~~
HUNTINGTON

UT

84528

5. Total payment enclosed

\$ 99219.69

Title 30 U.S.C. Section 1232 provides that any person, corporate officer, agent or director, on behalf of a coal mine operator who knowingly makes any false statements, representation or certification, or knowingly fails to make any statement, representation or certification required in this section shall, upon conviction, be punished by a fine of not more than \$10,000, or by imprisonment for not more than one year or both.

Approved by OMB, no. 1029-0063. Expires 7/97

Return to OSM or call BELL, SUSAN at 1-800-799-4265 if you have any questions.

Part 2 -- Coal Reclamation Fee Report, OSM-1

OS704205
136398



You must fill out a Part 2 and Part 3 for each permit number you are reporting.

6. Reporting for ___ 1st, ___ 2nd, ___ 3rd or **X** 4th quarter, 19 96

7. Permit Number ACT/015/032 Mine Name CRANDALL CANYON NO.1 MINE State UT

a. MSHA number 4201715	e. Permittee name GENWAL RESOURCES INC	h. Operator name GENWAL RESOURCES INC
b. County Tribe EMERY	f. Address PO BOX 1420	i. Address PO BOX 1420
c. <input type="checkbox"/> Mining complete	HUNTINGTON HUNTINGTON UT 84528	HUNTINGTON HUNTINGTON UT 84528
d. <input type="checkbox"/> All stockpile reported	g. Taxpayer I.D. 87-0533099	j. Taxpayer I.D. 87-0533099

8. Fee Computation

a. Gross tons <u>674931 . 5 2</u>	a. Gross tons _____	a. Gross tons _____
b. Moisture	b. Moisture	b. Moisture
(1) total <u>6 . 3 9 5 3 %</u>	(1) total _____ %	(1) total _____ %
(2) inherent <u>4 . 4 0 0 0 %</u>	(2) inherent _____ %	(2) inherent _____ %
(3) excess <u>1 . 9 9 5 3 %</u>	(3) excess _____ %	(3) excess _____ %
c. Reduced tons <u>13466 . 9 1</u>	c. Reduced tons _____	c. Reduced tons _____
d. Net tons <u>661464 . 6 1</u>	d. Net tons _____	d. Net tons _____
e. Rate \$ <u>. 1 5</u>	e. Rate \$ _____	e. Rate \$ _____
f. Calculated fee \$ <u>99219 . 6 9</u>	f. Calculated fee \$ _____	f. Calculated fee \$ _____

Approved by OMB, no. 1029-0063
Expires 7/97

9. Total calculated fee for this permit number \$ 99219 . 6 9

Mayo and Associates, LC
Consultants in Hydrogeology



16 December 1999

Mr. Gary Gray
GENWAL Resources, Inc.
P.O. Box 1420
Huntington, Utah 84528

Re: Hydrologic impacts to mining in Panel 6 Bleeders

Gary,

We understand that you are completing a response to UDOGM regarding mining outside of the permit area in the bleeders of Panel 6. In order to assist you with this response, we have evaluated the impacts to the hydrologic balance due to mining outside of the permit area.

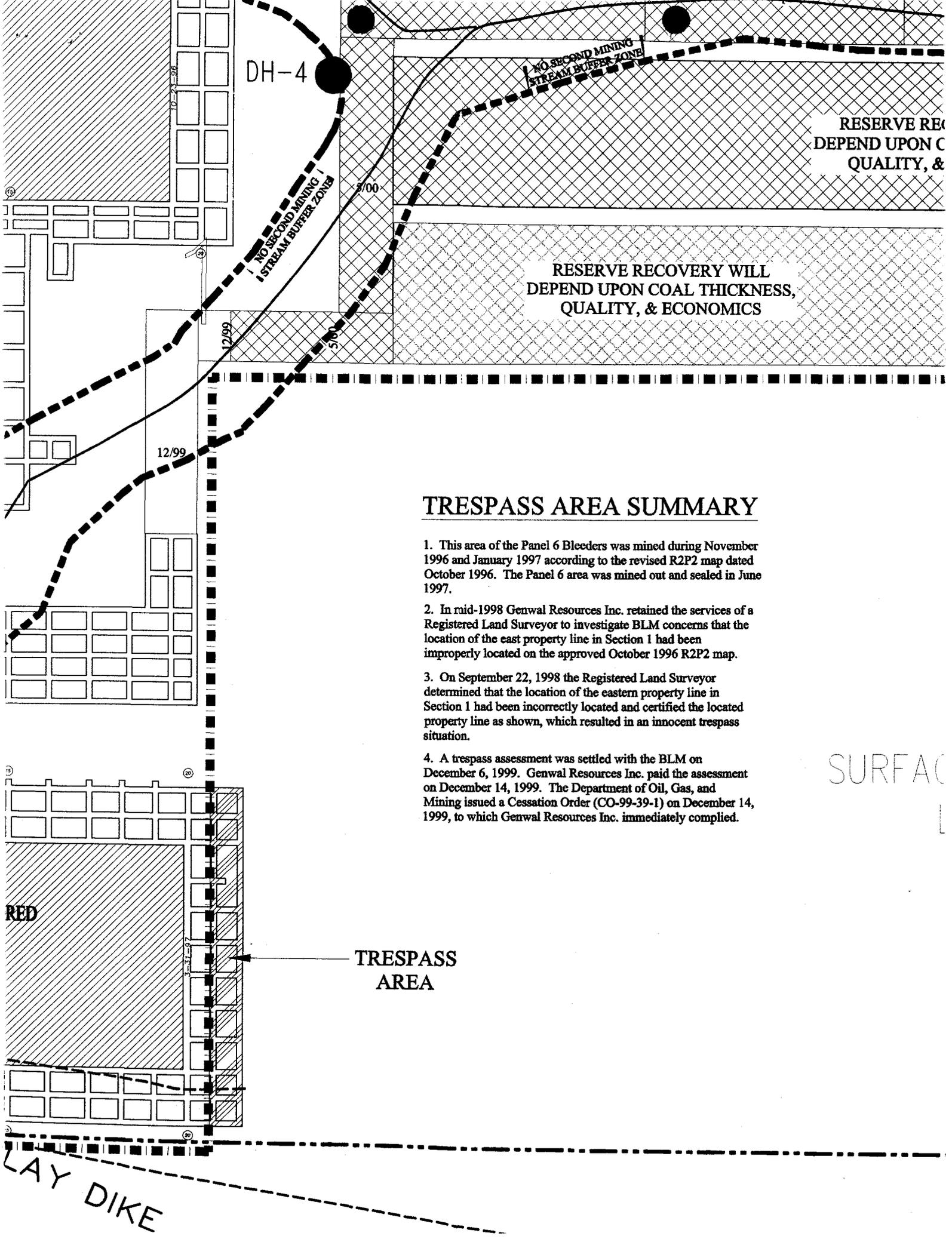
Our evaluation is based on several observations. First, there were no measurable groundwater inflows in the bleeders of Panel 6. Second, sampling of roof drips in the 8th East gateroads, just west of the area of question, indicated that water in the Blackhawk Formation in this area contains no tritium and has a radiocarbon age of 15,000 years. Third, there are no streams or springs at the surface above this area.

Based on this information, we conclude that impacts to the hydrologic balance in the area outside of the permit area are similar to the hydrologic impacts previously identified and characterized for the Crandall Canyon Mine.

Regards,

Kelly Payne
Hydrogeologist

cc: Erik Petersen



RESERVE RECOVERY WILL DEPEND UPON COAL THICKNESS, QUALITY, & ECONOMICS

RESERVE RECOVERY WILL DEPEND UPON COAL THICKNESS, QUALITY, & ECONOMICS

TRESPASS AREA SUMMARY

1. This area of the Panel 6 Bleeders was mined during November 1996 and January 1997 according to the revised R2P2 map dated October 1996. The Panel 6 area was mined out and sealed in June 1997.
2. In mid-1998 Genwal Resources Inc. retained the services of a Registered Land Surveyor to investigate BLM concerns that the location of the east property line in Section 1 had been improperly located on the approved October 1996 R2P2 map.
3. On September 22, 1998 the Registered Land Surveyor determined that the location of the eastern property line in Section 1 had been incorrectly located and certified the located property line as shown, which resulted in an innocent trespass situation.
4. A trespass assessment was settled with the BLM on December 6, 1999. Genwal Resources Inc. paid the assessment on December 14, 1999. The Department of Oil, Gas, and Mining issued a Cessation Order (CO-99-39-1) on December 14, 1999, to which Genwal Resources Inc. immediately complied.

SURFACE

RED

TRESPASS AREA

LAY DIKE

TRANSACTION REPORT

P. 01

DEC-20-99 SUN 11:42 AM

SEND (M)

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
DEC-20	11:28 AM	14356135828	9' 10"	17	SEND	(M) COM. E-4	195	
	11:37 AM		4' 38"	8	SEND	(M) OK	195	
TOTAL						13M 48S PAGES:	25	



State of Utah
 DEPARTMENT OF NATURAL RESOURCES
 DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
 Governor
 Kathleen Clarke
 Executive Director
 Lowell P. Braxton
 Division Director

1594 West North Temple, Suite 1210
 PO Box 145801
 Salt Lake City, Utah 84114-5601
 801-538-5340
 801-359-3940 (Fax)
 801-538-7223 (TDD)

UTAH DIVISION OF OIL, GAS AND MINING
 FACSIMILE COVER SHEET

DATE: 12-20-99

FAX #: (435) 613-5888

ATTN: Steve Wenczak

COMPANY: _____

DEPARTMENT: DOGm (Price Field Office)

NUMBER OF PAGES: (INCLUDING THIS ONE) 24

Shail m