

0016

041/002 #2

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JOHN M. BURKE

VIA HAND DELIVERY

December 16, 1996

Daron Haddock, Permit Supervisor
Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Re: Supplemental Submittal No. 3 -- Canyon Fuel Company, LLC
Application for Transfer of Mining Permit No. ACT/041/002
for SUFCo Mine

Dear Mr. Haddock:

Please find attached hereto the above-referenced supplemental submittal. This submittal corrects the spelling of some of the Japanese names in the section addressing control persons, provides social security numbers missing from the original application, modifies the right of entry information consistent with your suggestions, corrects the effective dates identified for certain of the control persons, and otherwise makes some additional minor corrections and additions to the transfer application and the transmittal letter under which the permit was filed.

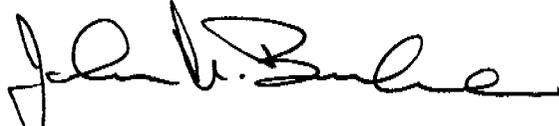
To update the transfer application please make the following changes: (1) delete the original cover letter dated November 13, 1996 and replace with the replacement cover letter of the same date; (2) delete the existing title page and replace it with the new title page; (3) delete existing page 1-2 and replace it with new page 1-2; (4) delete existing pages 1-6 through 1-19 and replace them with new pages 1-6 through 1-19; (5) delete existing pages 1-21 and 1-21a and replace them with new pages 1-21 and 1-21a; and (6) delete existing pages 1-34 and 1-35 replace them with new pages 1-34 and 1-35.

With the exception of the Reclamation Agreement, this is the final supplemental submittal we anticipate before closing of the transaction in which the Coastal States Energy Company entities are merged into Canyon Fuel Company, LLC. Nevertheless, if you

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December 16, 1996
Page 2

discover additional information requirements for this transfer application, please do not hesitate to contact Clay Parr or me. Thank you for the very able assistance you have rendered to us in finalizing this application package.

Very truly yours,



John M. Burke

Enclosure

cc: David Arnolds
R. Kirk Mueller (w/enc)
Clayton J. Parr (w/enc)

JMB/wm