

0011



SUMMIT COAL
COMPANY

Mine file

CEP/043/002

P.O. Box 646
Coalville, Utah 84017
Mine 801 - 336-5514
Office 801 - 336-2653

August 15, 1986

Dr. Dianne R. Nielson, Director
Utah Division of Oil, Gas and Mining
355 W. North Temple, Suite 350
Salt Lake City, Utah 84180-1203

RECEIVED
AUG 18 1986

**DIVISION OF
OIL, GAS & MINING**

RE: Summit Coal Co.
Boyer Mine Exploration
CEP/043/002
Summit County, Utah

Dear Dr. Nielson:

As provided in Item 3 in your August 1, 1985 letter of approval for the Boyer Mine Exploration, Summit Coal Co. is respectfully submitting a request to extend the Exploration Permit tonnage by an indefinite amount. The justification for this request is as follows:

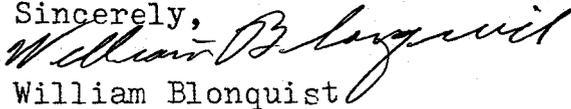
- (1) The Boyer Mine has presently shipped approximately 7000 tons of test coal based on the original approval, and has orders to supply an additional 50,000 tons for testing at various locations. Letters confirming the orders and other testing inquiries are attached;
- (2) The quality of the coal has been consistently improving with increasing distance from the outcrop. This improvement in quality has generated new interest among potential customers, and has led to the probability of short-to-moderate term contracts after additional test burns and final permit approval. Copies of representative analyses are also attached for your reference;
- (3) One drill hole (BC-4) located ahead of the present mining shows an anomaly in coal height and elevation, possibly indicating the existence of a fault. Continued exploration will allow us to determine if a fault or other adverse situation exists in this area, and if mining through or around the area is feasible;
- (4) The Permit Application Package was submitted for this mine on January 27, 1984. The Initial Completeness Review is scheduled to be finished this month. If the normal review steps are followed in the review of this permanent program permit, the original 10,000 ton exploration approval will be met long before permit approval is granted. The request for an unlimited (or indefinite) exploration tonnage is based on our need to "fill the gap" that will likely occur between the original limit and final approval. This will allow us to continue operation during the review period, to continue providing needed coal for testing, and to answer some very critical mining condition questions:

(5) Summit Coal Co. is the only operating mine in this area, and is providing not only jobs, but increased revenue to a depressed economy as well. The extension of the exploration tonnage will allow us to keep our people employed and to continue to boost the economy of this area until permit approval is obtained- at which time we hope to go into full production and provide more jobs in the area.

It is our hope that you will agree with our need to extend the allowed tonnage on our Exploration Permit. We will continue to work with your staff to expedite the permanent permit approval, and we will appreciate any assistance you may be willing to lend toward that goal.

Thank you for your consideration in this matter.

Sincerely,



William Blonquist
President

cc: Richard Blonquist
Jack Blonquist
Craig Vernon
Dan Guy

Branch Code 47
 (see reverse)
 Lab. No. 63865
 Date Rec'd. 07.31.54
 Date Sampled _____
 Sampled By SOC



SUMMIT COAL COMPANY, INC.
 PO BOX 646
 COALVILLE, UTAH 84017
 (801) 336-5514
 CRAIG BERNDT

SAMPLE IDENTIFICATION

#3205

% AIR DRY MOISTURE LOSS : 6.69

	% Moisture	% Ash	% Volatile	% Fixed Carbon	BTU/LB.	% Sulfur
As Rec'd.	10.09	3.80	37.83	48.28	11240	1.18
Dry Basis	-----	4.22	42.08	53.70	12501	1.32
M-A-Free					13052	

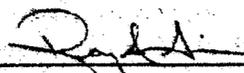
FREE SWELLING INDEX : XXXX

ASH FUSION TEMPERATURES (DEG F)	REDUCING	OXIDIZING
INITIAL	2345	XXXX
SOFTENING	2362	XXXX
HEMISPHERICAL	2368	XXXX
FINAL	2384	XXXX

HARDGROVE GRINDABILITY INDEX : XXXX

NOTE: XXXX INDICATES ANALYSIS WAS NOT PERFORMED

FOR YOUR PROTECTION THIS DOCUMENT HAS BEEN PRINTED ON CONTROLLED PAPER STOCK

Respectfully Submitted, 

Branch Code 43
(see reverse)
Lab. No. 59342
Date Rec'd. 1-27-86
Date Sampled 1-24-86
Sampled By SCCI



SUMMIT COAL COMPANY, INC.
158 EAST 7800 SOUTH
MIDVALE, UTAH 84047

SAMPLE IDENTIFICATION _____

#3203

HARDGROVE GRINDABILITY INDEX: 50.5

	% Moisture	% Ash	% Volatile	% Fixed Carbon	B.T.U./LB.	% Sulfur
As Rec'd.	15.00	7.98	35.50	41.52	10094	0.97
Dry Basis		9.39	41.76	48.85	11876	1.14
M-A-Free					13107	

% Air Dry Moisture Loss: 7.80

FOR YOUR PROTECTION THIS DOCUMENT HAS
BEEN PRINTED ON CONTROLLED PAPER STOCK

Respectfully Submitted, _____

A handwritten signature in dark ink, appearing to be 'D. J. ...', is written over a horizontal line.

Branch Code 43
 (see reverse)
 Lab. No. 61836
 Date Rec'd. 04. 21. 86
 Date Sampled 4-18-86
 Sampled By SCC



SUMMIT COAL CO.
~~158 EAST 7800 SOUTH~~
~~MIDVALE UTAH~~

84047

*P.O. Box 646
 Conville UT 84017*

SAMPLE IDENTIFICATION

#3208

ASH FUSION TEMPERATURES: Reducing

4.2 KG REC'D

Initial 2144
 Softening 2161
 Hemispherical 2169
 Fluid 2208

% AIR DRY MOISTURE LOSS: 7.13

	% Moisture	% Ash	% Volatile	% Fixed Carbon	B.T.U./LB.	% Sulfur
As Rec'd.	12.89	4.83	37.69	44.59	10777	0.73
Dry Basis		5.54	43.27	51.19	12371	0.84
M-A-Free					13098	

FOR YOUR PROTECTION THIS DOCUMENT HAS
 BEEN PRINTED ON CONTROLLED PAPER STOCK

Respectfully Submitted,

04. 22. 86

RAY A. SIM, MANAGER

ranch Code 43
 (see reverse)
 Lab. No. 59713
 Date Rec'd 2-11-86
 Date Sampled _____
 Sampled By SMCC



SUMMIT COAL COMPANY, INC.
 158 EAST 7800 SOUTH
 MIDVALE, UT 84047

*P.O. Box 646
 Coalville UT 84017
 Ph. 801 326 5514*

SAMPLE IDENTIFICATION _____

#3205

	% Moisture	% Ash	% Volatile	% Fixed Carbon	B.T.U./LB.	% Sulfur
As Rec'd	14.15	4.36	36.59	44.90	10672	0.72
Dry Basis		5.08	42.61	52.31	12431	0.83
M-A-Free					13096	

% Air Dry Moisture Loss: 8.91

FOR YOUR PROTECTION THIS DOCUMENT HAS BEEN PRINTED ON CONTROLLED PAPER STOCK

Respectfully Submitted, _____

21-Feb-86 09:31:53

DEVILS SLIDE PLANT

CHALK CREEK COAL ANALYSIS

DATE	TIME	SAMPLE NAME	SAMPLE NUMBER	ASH	ASHREC	S	S-REC	LOSS	SI	AL	FE	CA	MG	NA	K	P	
13-Feb-86	13:17:53	COAL	1	5.65	4.67	1.79	1.48	17.25	1.49	0.32	0.87	1.60	0.24	-0.0	0.01	0.00	Right Cross Cut Composite
19-Feb-86	11:38:33	COAL	1A	5.81	3.99	1.44	1.19	17.00	1.16	0.27	0.74	1.46	0.23	-0.0	0.01	0.00	Lump
20-Feb-86	13:58:54	COAL	1B														Pile #1
13-Feb-86	13:44:36	COAL	2	5.09	4.22	0.95	0.79	17.24	1.30	0.18	0.68	1.56	0.23	-0.0	0.01	0.00	Straight in Shaft
20-Feb-86	14:16:29	COAL	2A														Pile #2
14-Feb-86	11:06:17	COAL	12	4.86	4.02	1.63	1.35	17.25	1.25	0.26	0.81	1.43	0.23	0.00	0.01	0.00	Right Cross Cut #1
14-Feb-86	12:44:44	COAL	13	5.03	4.16	1.75	1.44	17.25	1.40	0.32	0.59	1.52	0.24	-0.0	0.02	0.00	Right Cross Cut #2
14-Feb-86	10:28:22	COAL	13A					15.67	2.62	0.57	0.99	1.57	0.24	-0.0	0.07	0.00	Pile Composite

OBSERVATIONS: ASH ON THE STOCKPILE SAMPLES AVERAGE 7.00% - ALL OTHERS AVERAGE 5.09% - (PICKING UP TOO MUCH FROM TOP OR BOTTOM.

SULFUR SEEMS TO BE LOWER IN STRAIGHT IN SHAFT THAN Right Cross Cut -

SULFUR IN STOCKPILE AVERAGES 1.11% WHICH IS ABOUT AN AVERAGE OF BOTH MINING FACES.

SILICA (Si), ALUMINA (AL), AND IRON (Fe), ALL SHOW SIGNIFICANT INCREASES IN PILE SAMPLES INDICATING MINING TOO CLOSE TO SEAM EDGE.

BTU CONTENT IS GOOD.

H₂O CONTENT IS AVERAGE

NO ALKALI PROBLEMS -

SIZE GRADATION OF PILE IS ACCEPTABLE

STOCKPILE SEEMS TO BE CONSISTENT IN ANALYSIS -



UTELITE, CORPORATION
P.O. BOX 387
COALVILLE, UTAH 84017

LIGHTWEIGHT, HIGH STRENGTH AGGREGATE
PHONE S.L. 359-8541 COALVILLE 336-5301

August 12, 1986

SUMMIT COAL COMPANY
P.O. BOX 646
COALVILLE, UT 84017

Gentlemen:

During the past few months we have been testing your coal at our plant near Rockport. During this time we have noticed some changes in the quality of the coal coming from your mine. We feel that we will be able to use your coal at our facility but because of the quality changes we have noticed we would like to continue to use your coal on a testing basis only for the next several months.

We appreciate your help in this matter and would be happy to answer any questions that you might have.

Respectfully,

Kip Bigelow
Utelite Corp.

Doug Andrus Distributing, Inc.

1820 W. Broadway
Idaho Falls, Idaho 83402
Phone (208) 523-1034

August 5, 1986

Craig Vernon
Summit Coal Co.
P.O. Box 646
Coalville, Utah 84017

Attention Craig:

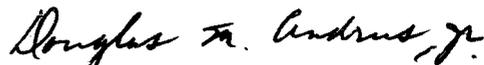
We are in the process of responding to a bid for coal to be supplied to a Government facility with an estimated annual usage of 15,000 ton of sized slack coal, and which is bid annually as a small business set-aside. In this contract there is a possibility of 1-2 years extension on an awarded contract.

We have analyzed the specifications required by this particular bid, and find that your coal meets those specs in nearly every way. One of the key factors of the bid is the need to have a coal with a sulfur content of .6% to 1%, and there are few areas in the West that measures up to that requirement. We find that your coal does meet that requirement.

We are asking you to send a letter guaranteeing the price, availability, and the specifications required by the bid, and are hopeful of being successful in our attempts to receive the award.

We appreciate your attention in this matter, and appreciate working with you.

Sincerely,



Douglas M. Andrus, Jr.
President
Doug Andrus Dist., Inc.

DENNIS L. BAKER

SUNRISE ENTERPRISES

(208) 743-2583

P.O. BOX 535
LEWISTON, IDAHO 83501

July 7, 1986

Summit Coal Co.

159 East 7800 South

Midvale, Utah 84047

Dear Sirs,

This letter is to express my understanding that any coal I purchase during the upcoming coal season is on an experimental basis. I am looking forward to working with your company.

Thank you,



Dennis L. Baker

Doug Andrus Distributing, Inc.

1820 W. Broadway
Idaho Falls, Idaho 83402
Phone (208) 523-1034

August 11, 1986

Craig Vernon
Summit Coal Co.
P.O. Box 646
Coalville, Utah 84017

Attention Craig:

In evaluating the coal being mined from Summit Coal, and the coal requested by a plant located in Scoville, Idaho for the Westinghouse Corp, we find the coal to be very compatible and are anxious to provide a test burn for them to try the coal.

The period being asked for is for the winter and spring season beginning in December of 1986. Should they meet the requirements they have in their specifications, we would be anxious to contract for the balance of the year and possibly for an additional 2-3 years, if we are awarded the contract by them.

The test burn would need to extend or include as much as 15,000 ton.

We trust that this is acceptable, and that we can work with you.

Sincerely,


Douglas M. Andrus, JR.
President
Doug Andrus Dist., Inc.



STAKER PAVING AND
CONSTRUCTION CO. INC.
A Construction Management Co.
P.O. Box 27598
Salt Lake City, Utah 84127-0598
Telephone
(801) 298-7500

June 27, 1986

Summit Coal Company Inc. ,
P.O. Box 646
Coalville, UT 84047

Gentlemen:

We intend to purchase from your company an undetermined amount of coal for testing purposes. We will keep you apprised of the performance.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ade Van Os", is written in black ink.

Ade Van Os
Rock Products

AVO/ses

