M/035/002

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ATTORNEY GENERAL
Natural Resources Divisio

January 20, 1998

Mr. Thomas Mitchell
Attorney General's Office
160 East 300 South
Salt Lake City, UT 84114

Re: Kennecott Utah Copper Corporation

Dear Tom:

I appreciate you and Dan Moquin making time to meet with Marcelle Shoop, Dallin Jensen, and me last week regarding the current disagreement between Kennecott Utah Copper Corporation and the Division of Oil, Gas and Mining regarding the 1978 Notice of Intention for the Bingham Canyon Mine. I have discussed the meeting with the Kennecott personnel who are working on this matter, and Kennecott is in agreement about approaching this matter under the "gradual" approach that you suggested. Paula Doughty will contact Mary Ann Wright to arrange a meeting to initiate the process.

Hopefully in the process of building better communications between the Division and Kennecott an understanding can be achieved that provides the Division with the information it needs without compromising effect of the approval that Kennecott obtained in 1978. Toward that end, Kennecott also agrees that having Tony Gallegos serve as the permit manager for the Bingham Canyon Mine would improve the situation by establishing a single contact at the Division who will become fully familiar with the Bingham Canyon operations. Again, I appreciate your participation in getting this process moving in a constructive direction.

Very truly yours,

David L. Deisley

cc: Dan Moquin
Paula Doughty