M/037/040

plateau resources LIMITED

Corporate Offices:
877 North 8th West, Riverton, WY 82501

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Fax: (307) 857-3050

Shootaring Operations:
Box 2111, Ticaboo, Lake Powell, UT 84533

Tel: (801) 788-2120
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Certified Return Receipt Requested

July 22, 1996

RECEIVED
JUL 25 1996
DIV. OF OIL, GAS & MINING

Bureau of Land Management
Mr. Ted McDougall
San Juan Resource Area
P.O. Box 7
Monticello, UT 84535

Re: Velvet Mine Status.

Dear Mr. McDougall:

This is notification of a change in the current status of the Velvet Mine (SJ-81-1P).

Plateau Resources contemplates the dewatering of the Velvet Mine beginning in August 1996 in preparation of underground mine evaluation regarding future mine production.

If you have any questions, please contact Al Dearth or myself at (307) 856-9271.

Yours truly,

Kenneth Webber
Environmental Coordinator

cc: A. E. Dearth

Tony Gallegos
Dept. of Natural Resources
Division of Oil Gas & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
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Steven McNeal
Utah Dept. of Environmental Quality
Division of Water Quality
288 North, 1460 West
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