

Private Fuel Storage, L.L.C.

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May 27, 1999

LOW CORRIDOR RAIL LINE ALIGNMENT
PRIVATE FUEL STORAGE FACILITY
PRIVATE FUEL STORAGE L.L.C.

Reference: PFS letter, Parkyn to Carpenter, Application for Transportation on Federal Lands,
dated August 28, 1998

The above referenced letter transmitted right-of-way applications for utilization of BLM managed public lands in support of two transportation options for the Private Fuel Storage Facility (PFSF) project. Our preferred option remains direct rail to the PFSF, which necessitates construction of a new rail line. The new rail line will originate from the Union Pacific (UP) mainline at Low Junction south of I-80 and proceed along the western side of Skull Valley for approximately 32 miles to the Goshute Indian Reservation.

We are currently developing the engineering and design details for the rail line and plan to submit an engineering package to you in July 1999. This engineering package will include the final rail line plan and profile drawings. In order to keep you informed of our progress we are providing you with an interim set of plan and profile drawings showing more detail than those included with the right-of-way application. The drawings included are listed below:

- 0599602-EY-15-A PFSF Railroad Line Union Pacific Siding Plan
- 0599602-EY-16-A PFSF Railroad Line Plan and Profile, Sheet 1
- 0599602-EY-17-A PFSF Railroad Line Plan and Profile, Sheet 2
- 0599602-EY-18-A PFSF Railroad Line Plan and Profile, Sheet 3
- 0599602-EY-19-A PFSF Railroad Line Plan and Profile, Sheet 4
- 0599602-EY-20-A PFSF Railroad Line Plan and Profile, Sheet 5
- 0599602-EY-21-A PFSF Railroad Line Plan and Profile, Sheet 6
- 0599602-EY-22-A PFSF Railroad Line Sections and Details, Sheet 7

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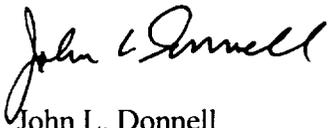
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Please note that the siding plan shown on drawing 0599602-EY-15-A currently shows two locations for the proposed siding. Our preferred location is to place the siding along the UP mainline within the existing UP right-of-way as shown on the top portion of the drawing. Should negotiations with the UP result in our inability to place the siding on the UP right-of-way then the siding would be placed on BLM managed land similar to the "alternative plan" shown on the lower portion of the drawing. Our negotiations with the UP will be complete in the near future and the final location of the siding will be shown on the drawings included in the design package submitted in July 1999.

If you have any questions concerning this matter or need additional information please contact me at 303-741-7430.

Sincerely,



John L. Donnell
Project Director
Private Fuel Storage L.L.C.

Copy to: Mr. Mark Delligatti-1/0
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 Mr. John Parkyn-1/0
 Ms. Patricia Winmill-1/1
 Mr. Leon Bear-1/0
 Ms. Denise Chancellor -1/1
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