

3400  
U-020305  
U-017354  
(U-06C)

Moab District  
Price River Resource Area  
900 North 700 East  
Price, Utah 84501

Barry Barnum  
Valley Camp Coal Company  
Schofield Route  
Helper, Utah 84526

**RECEIVED**  
OCT 11 1988

OCT - 6 1988

Dear Mr. Barnum:

DIVISION OF  
OIL, GAS & MINING

Valley Camp of Utah, Inc. submitted a proposal for minor modification of their Belina No. 1 and No. 2 mine plans on August 16, 1988. The modification proposes abandoning the reserves which lie between the Connelville Fault and the fault encountered in the Belina Mines (see enclosed map). The subject area lies on the portion of Federal Coal Lease U-020305 that Valley Camp of Utah subleases from Coastal States Energy Company.

Independent review of drill hole and in-mine data by BLM shows that a vertical displacement of approximately 140' exists in the vicinity of the fault encountered in the mines. This correlates with the information submitted in Valley Camp's modification which suggests that the fault has a displacement of 40 feet, and one or more additional faults comprise the remaining 100 feet of displacement.

BLM has compiled an economic analysis of crossing the fault to access reserves. It was determined that crossing this 140' fault area would increase the operating costs for reserves across the fault by at least \$2.30 per ton. Additional unforeseen factors would add to this cost. Additional faults would compromise the integrity of the roof which would add to the cost and pose a safety hazard.

Therefore, BLM is approving minor modification to Valley Camp of Utah's mine plan by deleting the coal reserves situated between the Connelville Fault and the fault encountered in the Belina mines on Federal Coal Lease U-020305. The cost of crossing this fault area added to the cost of mining the subject coal reserves would prove to be excessive. The deletion of the reserves will satisfy requirements of maximum economic recovery.

Reserves for this lease will be adjusted accordingly and Coastal States Energy Company, the lessee of record, will be notified of the changes.

**AMENDMENT TO**

APPROVED Mining & Reclamation Plan  
Approved, Division of Oil, Gas & Mining

by [Signature] date 10/14/88

If you have any questions regarding this modification, please feel free to contact Jeff Cundick, Price River Resource Area #1aing Engineer, at (801) 637-4584.

Sincerely yours,

*Dea Myffele*

Area Manager

Acting

Enclosure:  
Map

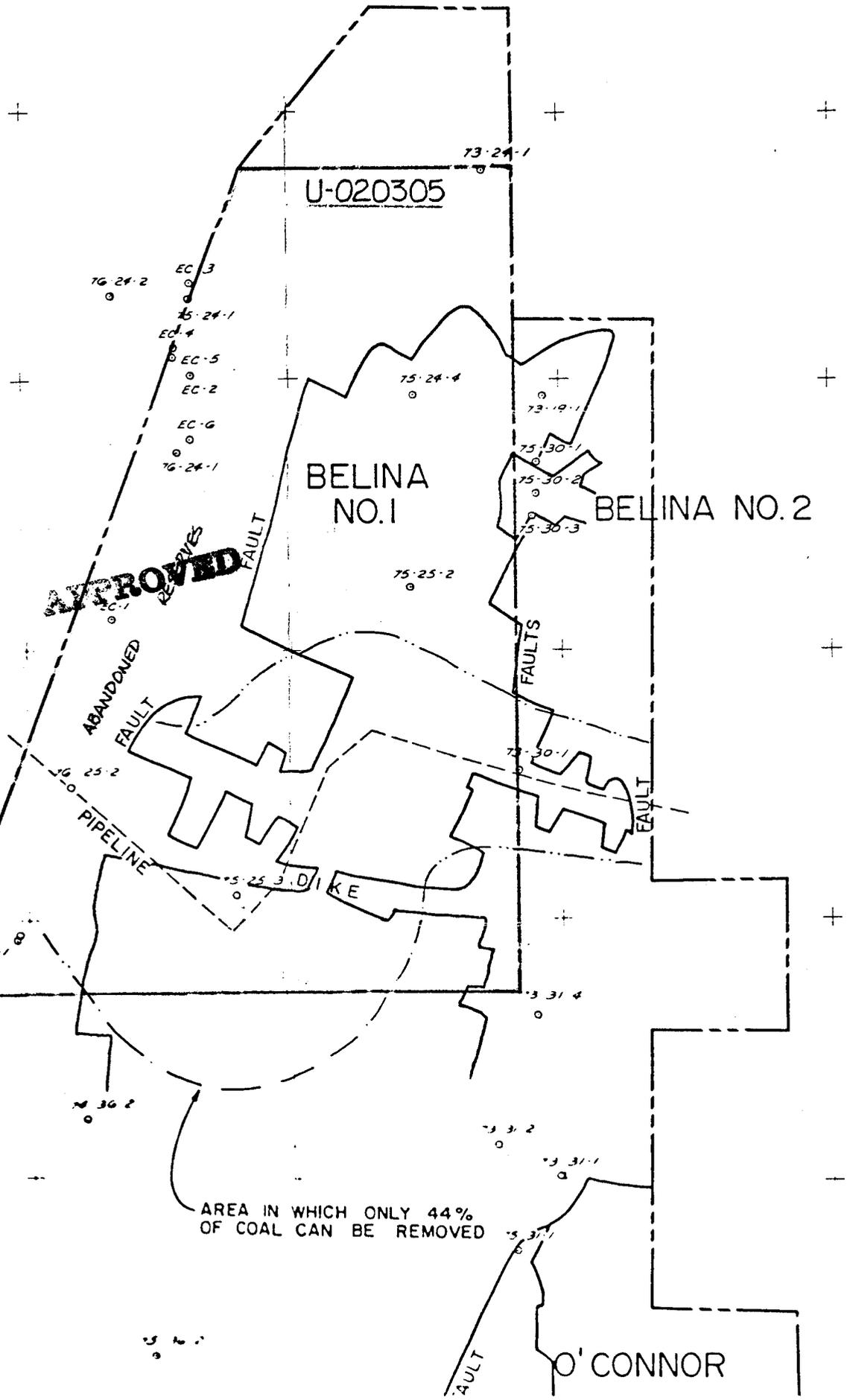
cc: SD, Utah (U-921), w/encl.  
DN, Moab (U-065), w/encl.  
UDGSM, Salt Lake City, w/encl.

JCundick:sw:10/05/88  
Wang 10150

23.1

3.1

23
26
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25



AREA IN WHICH ONLY 44%  
OF COAL CAN BE REMOVED

O'CONNOR