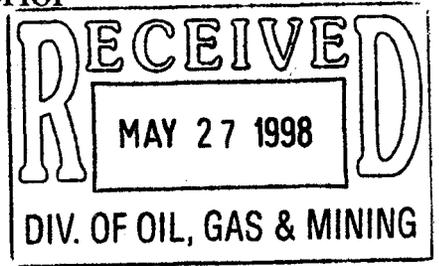




United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



In Reply Refer To:
3487
U-017354
U-067498
U-47974
U-47975
UTU-70018
UTU-73344 (Valley Camp LMU)

MAY 22 1998

CERTIFIED MAIL--Return Receipt Requested

DECISION

White Oak Mining & Construction Co., Inc.	:	Valley Camp Logical
c/o Denise A. Dragoo, Esq.	:	Mining Unit: UTU-73344
Van Cott, Bagley, Cornwall & McCarthy	:	
P.O. Box 45340	:	
Salt Lake City, Utah 84145-0340	:	

*ACT/000/001 #2
Copy Pam
(for hearing)*

Decision of May 19, 1998, Amended
Request for Thirty Day Extension Denied
Logical Mining Unit Application Rejected
Coal Leases Terminated Due to Lack of Diligent Development

The decision of May 19, 1998, rejecting the Valley Camp Logical Mining Unit (LMU) application, thereby terminating Federal coal leases U-47974 and U-47975 is amended as follows. The enclosed letter from Canyon Fuel Company L.L.C. (Canyon Fuel) was timely filed in this office on May 15, 1998.

The Bureau of Land Management (BLM) letter of April 13, 1998, allowed White Oak Mining & Construction Co., Inc. (White Oak) 30 days to provide a letter signed by an authorized officer of Canyon Fuel confirming that the letter agreement of July 27, 1989, granted Valley Camp and its successor in interest, White Oak, effective control of the coal resource, on that date, in the following lands:

- T. 13 S., R. 6 E., SLM, UT
Sec. 13, E2.
- T. 13 S., R. 7 E., SLM, UT
Sec. 17, S2SW;
Sec. 18, S2S2;
Sec. 19, NWNE, NENW.

The submitted letter does not meet that test. The letter states that Canyon Fuel and White Oak have been and are still in negotiations which would, only if successful, give White Oak full control of the above referenced coal resource retroactively. Therefore, we find that White Oak did not have effective control of the coal resource in the LMU application, as of November 6, 1991 (the filing date of the application), and does not have control now. Our letter of April 13, 1998, required confirmation that the letter agreement of July 27, 1989, granted White Oak effective control of the coal resource on that date, not that future negotiations would establish effective control as of that date. In accordance with 43 CFR 3480.0-5(a)(19), the Valley Camp LMU application is hereby rejected because the entire coal resource in the LMU application was not under effective control of a single operator/lessee at the time of application, and, because of this, the lands are rendered not contiguous. ✓

White Oak's request for an additional thirty days to execute the Lease of Coal Reserves document is hereby denied. The remainder of the May 19, 1998 decision remains in effect as is. ✓

This decision may be appealed to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR, Part 4, and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office (at the above address) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition (pursuant to regulation 43 CFR 4.21) (58 FR 4939, January 19, 1993) (request) for a stay (suspension) of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the notice of appeal and petition for a stay **must** also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed in this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

- (1) The relative harm to the parties if the stay is granted or denied,
- (2) The likelihood of the appellant's success of the merits,
- (3) The likelihood of immediate and irreparable harm if the stay is not granted;
and
- (4) Whether the public interest favors granting the stay.

/s/ Douglas M. Koza

PAR G. William Lamb
State Director

Enclosure

Letter of May 15, 1998

cc: Larry Jones (w/encl)
White Oak Mining & Construction Co., Inc.
Scofield Route
Helper, Utah 84526

Valley Camp of Utah, Inc. (wo/encl)
c/o Stoel Rives LLP
Attn: John S. Kirkham, Esq.
One Utah Center
201 South Main Street, Suite 1100
Salt Lake City, Utah 84111-4904

Canyon Fuel Company, LLC (wo/encl)
6955 Union Park Center, Suite 540
Midvale, Utah 84047

WO-320 (wo/encl)
Price Coal Office (wo/encl)
Manti-LaSal National Forest (wo/encl)
U.S. Forest Service, Ogden (wo/encl)
MMS, Solid Minerals Staff (wo/encl)
Field Solicitor (wo/encl)
Lowell Braxton, Director, UDOGM (wo/encl)