



**Coastal States
Energy Company**

411 West 7200 South, Suite 200
Midvale, Utah 84047
(801) 566-7111

January 9, 1986

ACT/007/005
#3

Mine File
LPB
S.C. Linow
D.W. Hedby
K.M.G.

Subsidiary of
The Coastal
Corporation

State of Utah, Department of Natural Resources
Division of Oil, Gas and Mining
Three Triad Center
Suite 350
Salt Lake City, Utah 84180-1203

Re: Proposed Modification of the Skyline Mining and Reclamation Plan

Dear Sir:

In December, 1985, Coastal States Energy Company and Getty Mining Company, as lessees, filed an application with the Bureau of Land Management seeking to amend existing Federal Coal Lease U-0142235. The amendment, if approved, will add 160 acres to the leasehold and, we believe, will be in the best interest of the U.S. Government and the applicants.

We are hereby submitting the enclosed Application for Modification of the Skyline Mining and Reclamation Permit (ACT/007/005) which, if approved, would allow mining of those portions of the amended leasehold which are not presently approved for mining. Although we understand that approval of this cannot be given until after the amendment to the lease is approved, we are requesting that the Application for Modification be reviewed in order that ultimate approval can be expedited. The urgency of receiving both approvals, e.g., approval of the lease amendment and permit modification, stems from the time constraints to be encountered in making the beneficial mining sequence changes while meeting production targets necessary for contractual sales commitments.

We are submitting at this time, six (6) copies of the application. If during the review process, additional copies or information is needed, please telephone Keith Zobell at 801/637-7925. Also during the review process, we will incorporate into the existing Mining and Reclamation Plan all changes, additional data, or other items necessary to effect this proposed modification.

Very truly yours,


Verhal J. Mortensen
Vice President Utah Operations

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DIVISION OF OIL
GAS & MINING