

April 4, 2003

Jim Kohler
Bureau of Land Management
324 South State Street
Salt Lake City, Utah 84145

Forest Supervisor
U.S. Forest Service
599 West Price River Drive
Price, Utah 84501

Re: Well Drilling and Completion Amendment, Canyon Fuel Company, Skyline Mine, C/007/005-AM03C, Outgoing File

Dear Sir or Madam:

The Division has received from Canyon Fuel Company an application to drill a third dewatering well (JC-3) in the James Canyon area. This well was initiated as an exploration project and we are now requiring it to be permitted under the SMCRA program. Because of the extremely tight timeframe for installing the well, this amendment deals specifically with the drilling and completion of the well and does not provide for its operation. The operation and pumping of the well is being handled as a separate amendment.

The Office of Surface Mining was consulted and determined that this amendment does not constitute a mining plan modification. Because we are the lead agency for this SMCRA action, it is incumbent on us to coordinate our review and approval with your agency to ensure compliance with other federal regulations. Please provide any comment you may have in this regard. A copy of the approved amendment is enclosed for your review.

Gregg Galecki has been assigned as the Lead on this project. If you have any questions regarding this project or its approval, please call him at (801) 538-5260 or me at (801) 538-5325.

Sincerely,

Daron R. Haddock
Permit Supervisor

Enclosure
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cc: Mark Page, Water Rights w/o
Dave Ariotti, DEQ w/o
Derris Jones, DWR w/o
Price Field Office w/o
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