



IN REPLY REFER TO:

United States Department of the Interior

OFFICE OF SURFACE MINING
Reclamation and Enforcement
P.O. Box 46667
Denver, Colorado 80201-6667

UT-0003

September 25, 2006

Utah Division of Oil, Gas, & Mining
Coal Regulatory Program
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

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C/007/005

RE: Canyon Fuel Company, LLC "Skyline" Mine - Application for a Permit Revision, Mine Facilities Plot Plan, Task ID No. 2578

Dear Sir or Madam:

This is in response to the Utah Division of Oil, Gas & Mining's (UT-DOG M) August 23, 2006, request for a decision, under 30 CFR 944.30, whether the above subject permit revision constitutes a mining plan modification.

Mining plan approvals by the Secretary of the Interior are required under the Mineral Leasing Act of 1920, 30 U.S.C. 181, *et seq.* before coal mining can occur on Federal lands. This letter serves to document OSM's determination whether or not a mining plan approval from the Secretary is required for the above permitting action.

OSM's review of the Application for a Permit Revision, Mine Facilities Plot Plan that it updates Drawing 3.2.1-1 to depict the locations of temporary coal piles at the Skyline mine, Utah State permit C/007/005.

Based on a review of the activities associated with the permit revision, OSM has determined that the proposal does not meet the requirements of 30 CFR 746.18(d). Therefore, the proposed permit revision does not constitute a mining plan action requiring Secretarial approval.

OSM's decision was based solely upon the Federal regulations under 30 CFR PART 746 and not the technical aspects of the revision application itself. Consequently, OSM's decision does not relieve UT-DOG M from coordinating the review and approval of the Application for a Permit Revision, Mine Facilities Plot Plan, with other Federal agencies for compliance with other Federal regulations.

OSM also electronically transmitted the August 23, 2006, request to the Bureau of Land Management and the U.S. Forest Service for their review and comment.

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DIV. OF OIL, GAS & MINING



In an electronic submittal dated August 25, 2006, the U.S. Forest service stated in its opinion the permit revision did not constitute a mining plan action requiring Secretarial approval.

The Bureau of Land Management did not provide any comments in the thirty day time frame established by the Federal regulations under 30 CFR 944.30, Article VI. D.

Please notify the applicant of our decision on this matter.

Should you have any questions regarding this letter or approval, please contact Carl R. Johnston, Utah Federal Lands coordinator, at (303) 844-1400, extension 1500.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert H. Singh, acting". The signature is written in a cursive style with a large initial "R" and "S".

Ranvir Singh
Manager, Northwest Branch

cc: BLM - Utah State Office
BLM - Price Field Office
USFS - Manti-La Sal NF
Denver Field Division