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**State of Utah**  
**DEPARTMENT OF NATURAL RESOURCES**  
**Division of Oil, Gas & Mining**

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

MICHAEL R. STYLER  
*Executive Director*

JOHN R. BAZA  
*Division Director*

July 15, 2010

Wilson Martin, Assistant Director  
Utah State Historic Preservation Office  
300 S. Rio Grande Street  
Salt Lake City, Utah 84101

Subject: Memorandum of Understanding, Canyon Fuel Company, LLC, Skyline Mine, C/007/0005, Winter Quarters Ventilation Facility, Task ID #3549

Dear Mr. Martin:

Enclosed is the Memorandum of Understanding between Canyon Fuel Company, LLC, the Utah Division of Oil, Gas & Mining and the Utah State Historical Preservation Office.

Please sign the enclosed original, retain a copy for your records, and return the original to our office. An addressed envelope is enclosed for your convenience.

If you have any questions, please call me at (801) 538-5262.

Sincerely,

James D. Smith  
Permit Supervisor

JDS/sqs  
Enclosure  
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**MEMORANDUM OF UNDERTSANDING  
BETWEEN  
CANYON FUEL COMPANY, LLC – SKYLINE MINE,  
UTAH DIVISION OF OIL, GAS, & MINING (DOGM)  
AND  
UTAH STATE HISTORICAL PRESERVATION OFFICE (SHPO)**

This MEMORANDUM OF UNDERTSANDING (MOU) is hereby made and entered into by and between Canyon Fuel Company, LLC – Skyline Mine (Skyline Mine), hereinafter referred to as Skyline Mine, The Utah Division of Oil, Gas and Mining (DOGM), hereinafter referred to as DOGM, and Utah State Historic Preservation Office, hereinafter referred to as SHPO.

**PURPOSE:**

On March 23, 2010 The Utah State Historic Preservation Office (SHPO) concurred with the Utah Division of Oil, Gas and Mining (DOGM) determination of an adverse effect to 42CB268, the Winter Quarters Townsite in accordance with Utah Code 9-8-404

In accordance with Utah Code 9-8-404 DOGM has determined that production of a booklet, detailed below, would mitigate adverse effects to 42CB2678. The SHPO also concurred with this determination.

**STATEMENT OF MUTUAL BENEFIT AND INTERESTS:**

The proposed mitigation satisfies the requirements set forth by Utah Code 9-8-404. Skyline Mine may proceed with the aforementioned project while satisfying the requirements set forth by State regulations.

**CANYON FUEL COMPANY, LLC – SKYLINE MINE SHALL:**

Be responsible for the compilation of information from previously collected data regarding the history of the Winter Quarters Mine and Townsite. The information to be used in the mitigation booklet will be derived from previously published sources and other information on file with State History and other readily available sources. The booklet shall be published in accordance with the following general guidelines:

- The proposed booklet is expected to contain 12-20 pages of material.
- The proposed booklet will primarily contain photographs and limited text that will provide an introduction to the site and is not designed as an authoritative text to the history of the site.
- Information for the booklet will be gathered from previously documented, readily available information on file with State History, State Archives, and other public sources.
- Skyline will publish 1,000 copies of the booklet for distribution to the following entities;
  - o Department of Natural Resources Library (Salt Lake Utah)
  - o Western Mining and Railroad Museum (Helper, Utah)
  - o And possibly the local convenience store in Scofield, Utah
- The total expenditure for the project (including publication costs) will not exceed \$10,000.00.

**DOGM SHALL:**

Approve the aforementioned mitigation for final approval of the cultural resources portion of the Skyline Mine Permit to develop a vent shaft location within Winter Quarters Canyon and assist all parties in carrying out the objectives of this MOU.

**SHPO SHALL:**

SHPO shall be responsible to provide guidance and approval of collected materials for the final publication of the aforementioned booklet. SHPO shall provide any and all information from State Archives that may assist the appointee with information sufficient to produce said booklet.

**IT IS MUTUALLY UNDERSTOOD AND AGREED BY AND TO THE PARTIES THAT:**

1. This instrument in no way restricts any of the parties from participating in similar activities with any public or private agencies, organizations, corporations, or individuals.
2. This MOU takes effect upon the signature of all parties and shall remain in effect for 18 months from the date of execution. This MOU may be extended or amended upon written request and subsequent concurrence by all parties.
3. Upon signing this MOU, it is understood that proper mitigation of any adverse effects has been developed and will be conducted simultaneously with the proposed project development.
4. Each agreeing party will utilize their own resources in pursuing the objectives of the MOU. Each party will carry out the objectives outlined above in a separate but mutually beneficial manner.

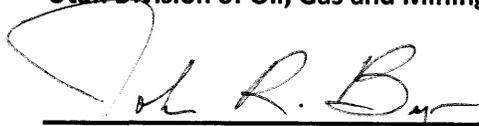
The parties hereto have executed this agreement:

**Canyon Fuel Company, LLC – Skyline Mine**

  
Wesley K. Sorensen, General Manager

7/8/10  
(Date)

**Utah Division of Oil, Gas and Mining**

  
John Baza, Director

7/14/2010  
(Date)

**Utah State Historic Preservation Office**

Wilson Martin, State Historic Preservation Officer

(Date)