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United States Department of the Interior

OFFICE OF SURFACE MINING
Reclamation and Enforcement
BROOKS TOWERS
1020 15TH STREET
DENVER, COLORADO 80202

OFFICE OF THE REGIONAL DIRECTOR

13 MAR 1980

RECEIVED
MAR 17 1980
DIVISION OF
OIL, GAS & MINING

Mr. Ron Daniels
Coordinator of Mined Land Development
Department of Natural Resources
Division of Oil, Gas and Mining
1588 West North Temple
Salt Lake City, UT 89116

Dear Ron:

This office has reviewed your letter of December 18, 1979, concerning the proposed mine permit area for Pacific Gas and Electric's Sage Point - Dugout Canyon Mine. Your letter requested OSM's comment on the applicability of designating the proposed rail spur as being in the permit area. A map which shows the proposed mine "permit area" and "adjacent area" was included in a letter from Ms. Mary Ann Wright on September 7, 1979 and again in a letter from Mr. K. Michael Thompson on January 14, 1980.

The map shows that the railroad loop and preparation plant are within the permit area. The rail spur extends approximately 10 miles from the proposed permit area boundary to the Denver and Rio Grande Western main line. It is the opinion of this office that the permit area does not extend to the area which contains the rail spur; however, the loadout area, the rail loop, and a portion of the rail spur in the immediate area of the mine site should be included as part of the permit area. This opinion is subject to a decision pending in the U.S. District Court of Columbia.

Included on the map of the Sage Point - Dugout Canyon Mine was a determination of "adjacent areas". The criteria used to determine adjacent areas was also discussed. We feel that this criteria is appropriate when determining the area where baseline data is needed; however, other impacts may be determined after baseline data is collected. If additional resources are found which may be impacted by surface coal mining and reclamation operations, then the adjacent area boundaries should be adjusted to incorporate the new information.

If you have any questions in regard to this review, please contact John Nadolski of my staff (303-837-3773).

Sincerely,

DONALD A. CRANE