



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
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September 19, 1986

FILE COPY

Mr. Charles Durrett
Sunedco Coal Company
7401 West Mansfield Avenue
Suite 418
Lakewood, Colorado 80235

Dear Mr. Durrett:

Re: Mid Permit Term Review, Sage Point-Dugout Canyon Mine,
ACT/007/009, Folder No. 2, Carbon County, Utah

The Sage Point-Dugout Canyon Mine was granted a five-year permanent program mining permit from the state of Utah on June 5, 1984. In accord with regulation UMC 788.11 a Mid Permit Term Review (MPTR) is now due. Attached is a flow chart outlining the steps and time frames for the MPTR process.

This letter will serve to notify Sunedco Coal Company that the Division will require the following information to conduct the MPTR:

1. All legal, financial and compliance information in Chapter 2 of the MRP must be updated; revised bond calculations submitted if necessary to provide adequate surety for the remainder of the permit term; and current certificate of insurance submitted.
2. Several outstanding stipulations to the permit remain due to the fact that they are tied to on-site construction which has not yet begun. These cannot be addressed at this time. However, the Division finds that Stipulations UMC 817.43-.45(2)-DD and UMC 817.121(1)-TNT require commitments which could be made at this time. Accordingly Sunedco must update the MRP to include these commitments at this time.

Page 2
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In order for the Division to complete the MPTR by December 5, 1986, this information will need to be submitted by November 5, 1986. Please contact myself or Susan Linner if you have questions.

Sincerely,

L. P. Braxton
L. P. Braxton
Administrator
Mineral Resource Development
and Reclamation Program

SCL:jvb
Attachment
cc: A. Klein
S. Linner
H. Shepherd
0028R-57

MID PERMIT TERM REVIEW PROCESS

