



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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February 25, 1999

Jay Marshall
UtahAmerican Energy, Inc.
P. O. Box 986
Price, Utah 84501

Re: Determination of Administrative Completeness, Lila Canyon Mine Application, UtahAmerican Energy, Inc., Horse Canyon Mine, ACT/007/013-98-1, Folder #2, Carbon County, Utah

Dear Mr. Marshall:

The Division has completed a review of the additional information you submitted dated February 11, 1999, which amended the Lila Canyon Mine Application Package. The purpose of this review was to determine the Administrative Completeness of your application or in other words determine if the application contains all information necessary to initiate processing and public review. With the additional information which you supplied, your application is now considered to be administratively complete. There are still some "Right-of-Entry" questions that need to be resolved. It appears that right-of-way applications have been filed with the BLM but no indication that they have been granted. We feel that your application is adequate at this time to initiate processing, but certainly the official right-of-entry will need to be obtained before a permit can be issued.

A technical review of your plan has been initiated. Technical deficiencies will be forwarded to you when the review is completed. The Division will also coordinate with other agencies and incorporate their comments into our review process. Issues raised will need to be resolved prior to permit issuance.

At this time you should publish a Notice of Complete Application for the Lila Canyon Revision to the Horse Canyon Mine as required by R645-300-121. A copy of the publication should be sent to the Division as soon as it is available. You should also insure that a copy of the application is on file at the Carbon and Emery County Courthouses. The Division will complete a technical analysis which must find that your application is technically complete. We anticipate that additional information may be necessary to make your application technically complete and look forward to working with you throughout the permitting process. Please call if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Daron R. Haddock".

Daron R. Haddock
Permit Supervisor