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

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February 2, 2001

TO: Internal File

FROM: Paul B. Baker, Reclamation Biologist, Team Lead 

RE: Updated Ownership and Control Information, UtahAmerican Energy, Inc., Horse Canyon Mine, C/007/013-LF00C-1

SUMMARY:

UtahAmerican is proposing to update ownership and control information for the Horse Canyon Mine. UtahAmerican has purchased the federal coal leases and other rights from the Intermountain Power Agency (IPA) and no longer subleases these areas.

The Division first received this amendment on December 26, 2000, and responded with a technical analysis on December 28, 2000. The current proposal was received January 22, 2001. It can be approved, but UtahAmerican needs to submit adequate numbers of clean copies.

TECHNICAL ANALYSIS:

GENERAL CONTENTS

IDENTIFICATION OF INTERESTS

Regulatory Reference: 30 CFR 773.22; 30 CFR 778.13; R645-301-112

Analysis:

In July 2000, UtahAmerican Energy, Inc., purchased all of Intermountain Power Agency's holdings associated with the Horse Canyon Mine. The application includes updated land ownership information to reflect these changes.

The existing mining and reclamation plan contains ownership and control information for UtahAmerican, including its officers and directors and information about affiliated companies and their coal mining and reclamation operations.

TECHNICAL MEMO

The applicant has updated the surface and subsurface ownership maps, Plates I-1 and I-2, and the ownership information on these plates is in agreement with the text of the application.

General legal descriptions for the permit area and contiguous areas in the revised Appendix 1-2 were checked as far as possible against the revised Plates I-1 and I-2. The legal descriptions in Appendix 1-2 do not apply strictly to the permit area; if they did, they would have to be metes and bounds descriptions. Appendix 1-2 simply identifies lands within which the permit area lies and lands adjacent to the permit area. Because the legal descriptions are not precise, the descriptions for the permit area overlap in many cases with those of the contiguous area. The information in Appendix 1-2 corresponds with what is shown on Plates I-1 and I-2 and can be approved with the understanding of the limitations of the legal descriptions.

Findings:

Information in the proposal is adequate to meet the requirements of this section of the regulations.

RIGHT OF ENTRY

Regulatory Reference: 30 CFR 778.15; R645-301-114

Analysis:

The application says UtahAmerican Energy purchased IPA's interest in the federal leases in July 2000 and that the Bureau of Land Management (BLM) is assigning all rights directly to UtahAmerican Energy. On September 11, 2000, the Division received a letter from the BLM with copies of assignments from IPA to UtahAmerican of six federal leases. A portion of only one of these, SL-066145, is in the permit area.

Findings:

Information in the application is adequate to meet the requirements of this section of the regulations.

RECOMMENDATIONS:

The application can be approved, but the applicant needs to submit an adequate number of clean copies to be inserted into the mining and reclamation plan. The Division needs to receive four copies of Plates I-1 and I-2. The Division also needs three black and white copies of the complete amendment.