



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

February 14, 2006

VIA FACSIMILE
(928) 871-7886

Ron Maldonado
Navajo Nation
P.O. Box 9000
Highway 264 Tribal Hills Drive
Window Rock, Arizona 86515

Subject: Section 106 Consultation - Identification of Historic Properties Within the Lila Canyon Extension of the Horse Canyon Mine, UtahAmerican Energy, Inc., Horse Canyon Mine, C/007/0013, Outgoing File

Dear Mr. Maldonado:

The Utah Coal Regulatory Program is in the process of permitting the Lila Canyon extension to the Horse Canyon Mine. This project is located in the Book Cliffs coalfield in Emery County, Utah south of the towns of East Carbon and Sunnyside. The Lila Canyon extension covers about 4660 acres. Forty-two (42) acres of this entire acreage will be subject to ground disturbance and have a Class III cultural survey done on them. The remaining areas overlay proposed underground mining and are not subject to direct surface disturbance. These areas have been partially surveyed. The enclosed map provides the location of the Lila Canyon extension of the Horse Canyon Mine.

In accordance with 36 CFR Part 800.2 (a), Pete Rutledge, Chief of the Program Support Division at the Western Region of the federal Office of Surface Mining, delegated the legal responsibility to the State of Utah to consult with you regarding the identification of Native American religious and cultural sites at the project.

Previous survey results have shown that there are three sites eligible for listing on the National Register of Historic Places. There are two sites within the permit area (42EM2255 and 42EM2256) and are located above the underground mining area. The third site is off the permit area and will not be directly affected (42EM2517).

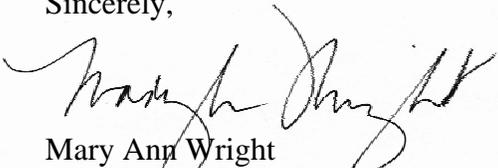
Page 2
Section 106 Consultation
February 14, 2006

We are now seeking your input regarding the existence of any cultural and/or religious sites your tribe may hold significant. If you have concerns in this area, we will continue consultation with you.

We look forward to your input on this project. To expedite this process, please provide your comments to me within 30 days. You may call me at (801) 538-5306 or write me at the address on the letterhead.

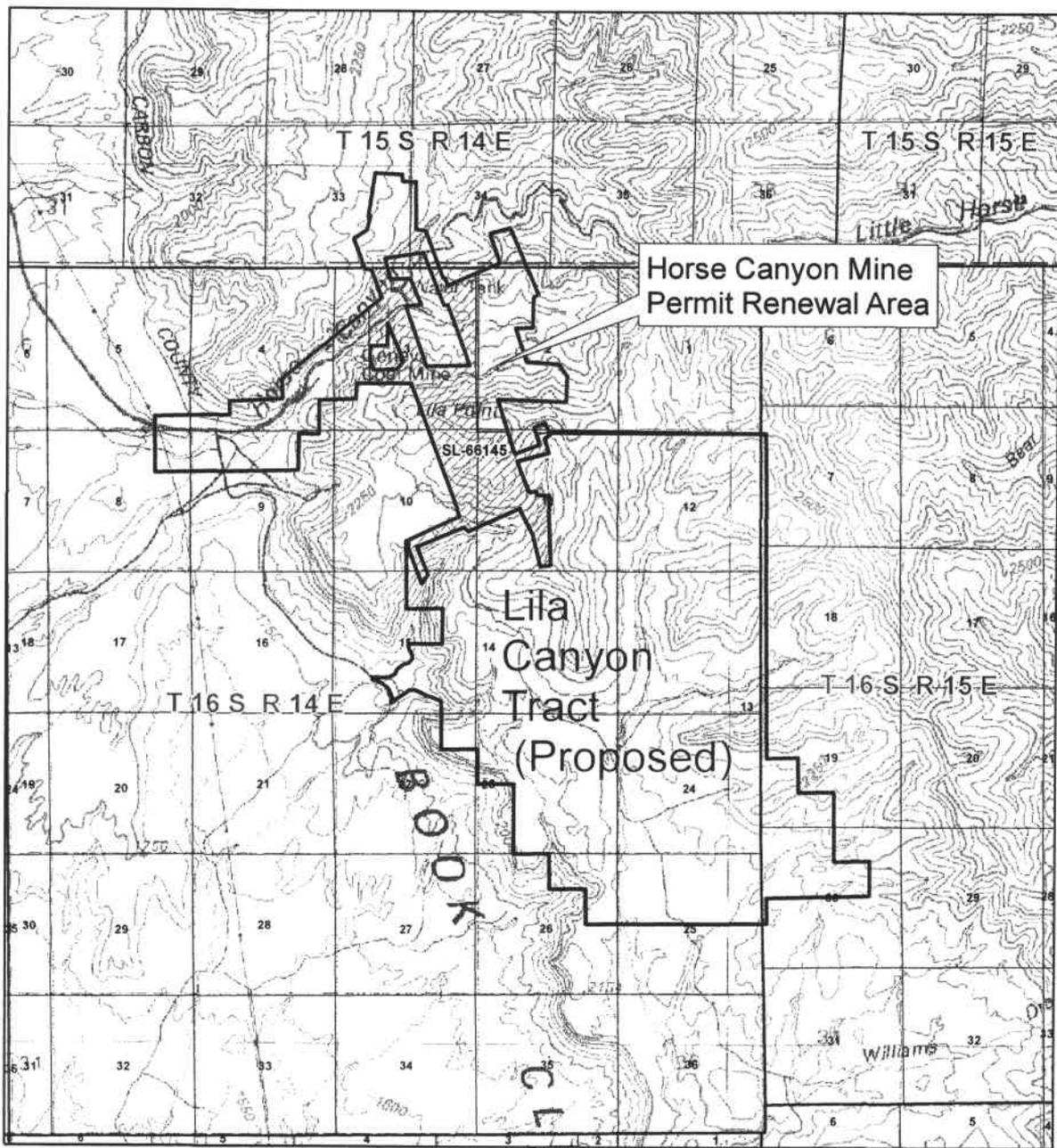
Thank you.

Sincerely,



Mary Ann Wright
Associate Director, Mining

an
Enclosure
cc: UEI
O:\007013.HOR\FINAL\Section106RMaldonado.doc



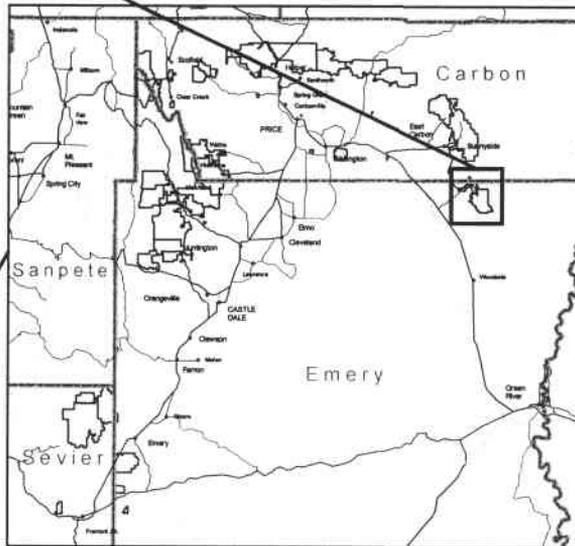
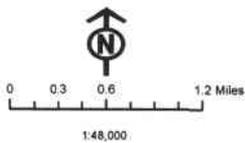
Horse Canyon Mine

C0070013
Carbon County, Utah
January 2006

Township 15 South Range 14 East
Township 16 South Range 14 East

File: N:\gis\coal\C0070013.pdf

- Permit Area
- Proposed Mine Plan Modification (if shown)
- Federal Lease Areas



Locator Map