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Refer to Expandable 03070007
 file in 00070013, 2007, INCOMING
 for additional information

SALT LAKE CITY, UTAH
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March 7, 2007

HAND DELIVERED

Ms. Pamela Grubaugh-Littig
 Utah Division of Oil, Gas and Mining
 1594 West North Temple
 Salt Lake City, Utah 84114

RE: Lila Canyon Extension, Horse Canyon Mine, C/007/013

Dear Ms. Grubaugh-Littig:

The enclosed ownership and control information is provided in response to the Division's letter dated January 19, 2007, Lists 1 and 3, and in response to a series of questions you forwarded to us in January and February, 2007 from the federal Office of Surface Mining ("OSM"). We have provided an original and six copies of the following:

1. Secretary's certificate of UtahAmerican Energy, Inc., signed by Michael O. McKown, Esq.;
2. Responses to each of OSM's ownership and control questions; and
3. A new Appendix 1-1 which replaces the previous appendix in the mining and reclamation plan. Also included is a CD with a "pdf" of the Appendix.

Finally, enclosed are Forms C-1 and C-2 signed by Jay Marshall on behalf of UtahAmerican Energy, Inc.

We appreciate your assistance in this matter.

Very truly yours,


 Denise A. Dragoo

RECORDED

MAR 07 2007

DIV. OF OIL, GAS & MINING

DAD:jmc:434085
 Enclosures
 cc: Jay Marshall
 Bruce Hill

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change [X] New Permit [] Renewal [] Exploration [] Bond Release [] Transfer []

Permittee: UtahAmerican Energy, Inc.

Mine: Horse Canyon Mine--Lila Canyon Extension

Permit Number: ACT/007/013

Title:

Description, Include reason for application and timing required to implement:

Submittal 07-005

Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.

- 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ [] increase [] decrease.
2. Is the application submitted as a result of a Division Order? DO# _____
3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
4. Does the application include operations in hydrologic basins other than as currently approved?
5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
6. Does the application require or include public notice publication?
7. Does the application require or include ownership, control, right-of-entry, or compliance information?
8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
9. Is the application submitted as a result of a Violation? NOV # _____
10. Is the application submitted as a result of other laws or regulations or policies?
11. Does the application affect the surface landowner or change the post mining land use?
12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
13. Does the application require or include collection and reporting of any baseline information?
14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
15. Does the application require or include soil removal, storage or placement?
16. Does the application require or include vegetation monitoring, removal or revegetation activities?
17. Does the application require or include construction, modification, or removal of surface facilities?
18. Does the application require or include water monitoring, sediment or drainage control measures?
19. Does the application require or include certified designs, maps or calculation?
20. Does the application require or include subsidence control or monitoring?
21. Have reclamation costs for bonding been provided?
22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
23. Does the application affect permits issued by other agencies or permits issued to other entities?

Please attach five (5) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

Jay Marshall Print Name R. Jay Marshall Project Manager 3/7/07 Sign Name, Position, Date

Subscribed and sworn to before me this 7th day of January March, 2007

Notary Public Julie G. McKenzie

My commission Expires: 10-19, 2010

Attest: State of Utah } ss: County of Salt Lake



