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March 13, 2007

**HAND DELIVERED**

*Incoming* <sup>OK</sup>  
*C/007/0013*  
*#2687*

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 has been revised to update UtahAmerican Energy, Inc.'s ("UEI's") submission of March 7, 2007. We have provided an original and six copies of a revised Appendix 1-1, Sections 4, 5, 6, 7 and 8 and a redline showing the changed text. Also included is a CD with a "pdf" of the corrected 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

Refer to Expandable 03132007  
 file in C0070013.2007 INCOMING  
 for additional information

DAD:jmc:434689  
 Enclosures  
 cc: Jay Marshall  
 Bruce Hill

RECEIVED

MAR 13 2007

DIV. OF OIL, GAS & MINING

# APPLICATION FOR COAL PERMIT PROCESSING

Permit Change  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:

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

- Yes  No 1. Change in the size of the Permit Area? Acres: \_\_\_\_\_ Disturbed Area: \_\_\_\_\_  increase  decrease.
- Yes  No 2. Is the application submitted as a result of a Division Order? DO# \_\_\_\_\_
- Yes  No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- Yes  No 4. Does the application include operations in hydrologic basins other than as currently approved?
- Yes  No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- Yes  No 6. Does the application require or include public notice publication?
- Yes  No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- Yes  No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- Yes  No 9. Is the application submitted as a result of a Violation? NOV # \_\_\_\_\_
- Yes  No 10. Is the application submitted as a result of other laws or regulations or policies?  
*Explain:* \_\_\_\_\_
- Yes  No 11. Does the application affect the surface landowner or change the post mining land use?
- Yes  No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- Yes  No 13. Does the application require or include collection and reporting of any baseline information?
- Yes  No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- Yes  No 15. Does the application require or include soil removal, storage or placement?
- Yes  No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- Yes  No 17. Does the application require or include construction, modification, or removal of surface facilities?
- Yes  No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- Yes  No 19. Does the application require or include certified designs, maps or calculation?
- Yes  No 20. Does the application require or include subsidence control or monitoring?
- Yes  No 21. Have reclamation costs for bonding been provided?
- Yes  No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- Yes  No 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.

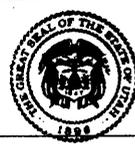
Jay Marshall R-Jay Marshall Project Manager  
 Print Name Sign Name, Position, Date

Subscribed and sworn to before me this 13th day of March, 2007

Julie G. McKenzie  
 Notary Public

My commission Expires: October 19, 2010

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



**NOTARY PUBLIC**  
**JULIE G. MCKENZIE**  
 15 W. South Temple, Ste 1200  
 Salt Lake City, Utah 84101  
 My Commission Expires  
 October 19, 2010  
**STATE OF UTAH**

**RECEIVED**  
**MAR 13 2007**

DIV. OF OIL, GAS & MINING

