APPENDIX 3-2

PRODUCTIVITY WITHIN & AROUND THE PERMIT AREA

Information for Appendix 3-2 is all hard copies no electronic copies exist.

NRCS Natural Resources Conservation Service

NRCS Utah

United States Department of Agriculture

Natural Resources Conservation Service

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August 22, 2003

Mr. Jay Marshall
UtahAmerican Energy, Inc.
375 S. Carbon Ave., #127
Price, UT 84501

Re: Productivity Estimate for Proposed Lila Canyon Mine

Dear Mr. Marshall,

Following our visit on August 21, 2003 to the proposed mine site in Lila Canyon I have the following determinations for vegetative production (dry weight) this year based on the existing physical characteristics of the landscape as well as climatic conditions of the area. The disturbed area has approximately 350 pounds per acre (mid seral) for the grass/shrub site while the pinyon-juniper sites on the disturbed area have approximately 250 (mid seral) pounds per acre (herbaceous/shrub). The grass/shrub site for the reference area has approximately 450 pounds per acre (high seral) and approximately 250 (mid seral) pounds per acre (herbaceous/shrub) in the pinyon-juniper area.

It is evident that the vegetation in the area is suffering from the effects of the current drought which is the reason for the lower production values we are experiencing. Many of the perennial bunchgrasses are declining in vigor due to the build up of litter/old growth at the base of the plant at or near the soil surface, ultimately affecting the plants productivity/vigor. It appears that the annual/perennial forbs as well as the shrub component are displaying the effects of the ongoing drought. The scattered pinyon-juniper trees within the area appear to be sustaining despite the drought conditions. Although the drought conditions appear to be affecting the vegetative productivity, it is apparent that the higher precipitation at this elevation allows for higher sustainability/productivity than the nearby valley floors. Furthermore, the area has experienced a high rate of cheatgrass invasion which may temporarily help increase ground cover and slightly increase vegetative biomass, but will ultimately decreases the overall health of the ecological site.

Please feel free to contact me at any time with any other questions or comments.

Respectfully yours,

M. Dean Stacy
Range Management Specialist

Cc: Dr. Mike King, CEU