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C/007/013 Incoming



# United States Department of the Interior

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## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>

IN REPLY REFER TO:

- 3483
- SL-066145
- SL-066490
- SL-069291
- U-014217
- U-014218
- U-0126947
- UTU-73516 (North Block LMU)
- (UT-923)

JAN 27 2010

RECEIVED  
FEB 01 2010  
DIV. OF OIL, GAS & MINING

CERTIFIED MAIL – Return Receipt Requested

### NOTICE

UtahAmerican Energy, Inc	:	Coal Leases
P. O. Box 986	:	SL-066145, SL-066490, SL-069291,
Price, Utah 84501	:	U-014217, U-014218 & U-0126947
	:	(UTU-73516-North Block LMU)
	:	

### New Diligence Due Date Established

In a notice dated July 17, 2009, BLM acknowledged that UtahAmerican Energy, Inc (UEI) took beneficial use of the federal leases in North Block Logical Mining Unit (LMU) UTU-73516 on July 16, 2009. In that notice BLM lifted the suspension that had been effective since September 4, 2001 and terminated it effective July 1, 2009.

The North Block LMU (for the Federal Leases listed above) was approved on January 27, 1999. BLM established the diligence date (beginning) for the LMU as February 1, 1995 and the diligence due (end) date of February 1, 2005 pursuant to 43 CFR 3483.1 (a). On January 15, 2002, UEI requested a suspension of operations and production. On November 14, 2002 BLM granted the request for a suspension of operations and production which was effective February 4, 2001. With this suspension the remaining time left to meet the diligent development requirement was 3 years 4 months and 27 days.

This notice conveys the resulting new diligence due date. Since BLM terminated the suspension effective July 1, 2009, the remaining time left to meet diligent development (3 years and 4 months and 27 days from July 1, 2009) is now **November 27, 2012**. Commercial quantities of coal (1% of the total recoverable reserves which have been determined as 272,270 tons) must be mined by this date in order to meet diligence under 43 CFR 3483.1. Once diligence has been met the operator/lessee must continue to mine at least 1% of the reserves in order to maintain the continued operating requirement under 43 CFR 3483.2. The continued operation year will commence the month following the date when diligence (1% of the recoverable coal reserves)

have been mined.

Pursuant to 43 CFR 3483.4 (a) advance royalty may be accepted in lieu of continued operations upon application to and approval by the authorized officer, once diligence has been met. Therefore, if you decide to apply for suspension of the continued operation requirement and payment of advance royalty in lieu thereof, the application shall be made no later than 30 days after the beginning of the continued operation year.

If you have any questions please contact Mr. Steve Rigby at 435-636-3604.

/s/ Roger L. Bankert

Roger L. Bankert  
Chief, Branch of Minerals

cc: Price Coal Office (wo/encl.)  
MMS, MRM, Solid Minerals, Attn: LeeAnn Martin, MS390B2, Box 25165,  
Denver, CO 80225-0165, (wo/encl.)  
DOGM, Attn: Coal Program, Division of Oil, Gas and Mining, P.O. Box 145801, Salt Lake  
City, UT 84114-5801, (wo/encl.)